

INTRODUCTION

This paper has been prepared for the James Madison University Board of Visitors. The material presented herein is a continuation of similar papers prepared for the board since 1990. Most of the data updates tables, charts and graphs from these previous papers. This emphasis on continuity is purposeful. It is intended that this be an annual effort that concentrates on building longitudinal databases used for trend analyses.

The purpose of the paper is to identify and describe significant national, regional and state factors affecting the financing of higher education. Trends affecting tuition and fees, state appropriations and expenditures are analyzed in separate sections of the paper.

This year, we examine the effects of the national economy on state appropriations for public higher education in the South and the subsequent impact on tuition. For 2004-2005, state revenue increases provided Virginia's public higher education institutions with a higher GF Appropriation (on average) than much of the nation. Virginia increased general fund appropriations for operating costs for higher education by 10.6 percent compared to a national average increase of 3.8 percent and an average increase of 3.3 percent among Southern Regional Education Board (SREB) states.

For FY 2003 (the most current SREB data), SREB states experienced an average 9.7 percent increase in in-state undergraduate tuition and fees. At 16.6 percent, Virginia ranked third in FY 2003 (behind only South Carolina and North Carolina) for in-state undergraduate tuition and fee increases among SREB states.

Virginia remains — in spite of its absolute dollar increase in general fund support to higher education for 1995-96 to 2001-02 — a high tuition and fee state. The Commonwealth ranks ninth highest out of 50 states and the third highest in the southern region for 2003-04 in-state undergraduate student charges. Virginia also remains low in general fund support for higher education. Nationally the Commonwealth ranks 38th in appropriations in FY 2005 and regionally, ranks 14th out of 15 southern states in FY 2003-04 on this important indicator.

Virginia reported faculty salary increases in FY 2005 of 3.0 percent. To reach the 60th percentile of national salary averages in higher education, future and more substantive salary increases will be needed.

Greater access through increased financial aid is becoming a more widely pursued goal. Virginia increased general fund support for financial aid by \$6.7 million. The Commonwealth has encouraged institutions to set aside a portion of the revenue generated through tuition increases for financial aid. Several SREB states continue to create new merit and need-based financial aid programs, including programs designed to encourage enrollments in priority areas.

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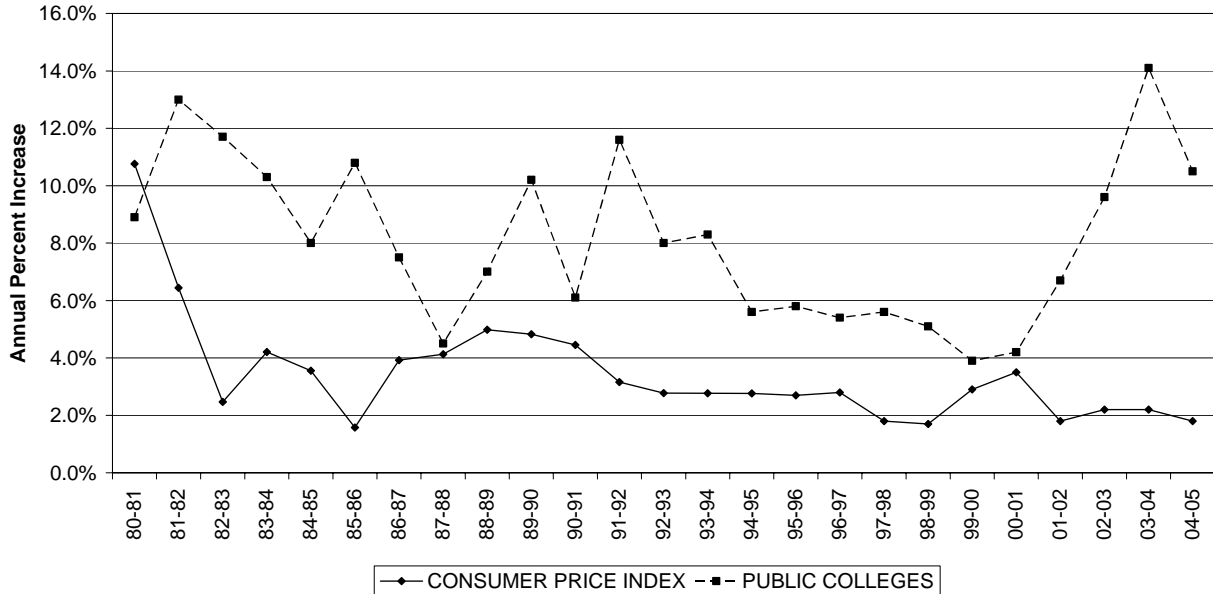
1.0 ISSUES

- For 2004-2005, state revenue increases provided Virginia's public higher education institutions with a higher general fund appropriation (on average) than much of the nation. Virginia increased general fund appropriations for operating costs for higher education by 10.6 percent compared to a national average increase of 3.8 percent and an average increase of 3.3 percent among Southern Regional Education Board states.
- James Madison University (JMU) continues to lag behind the average of other Virginia comprehensive institutions in appropriations per student. JMU's 2004-05 general fund appropriation per in-state FTE student was \$327 below the average of all Virginia public institutions. Were JMU to be funded at the average for all institutions in 2004-05, its general fund appropriation would increase by \$9.2 million.
- JMU remains sixth among the nine Virginia comprehensive colleges and universities in total per FTE student Education & General (E&G) appropriation — general fund, tuition and E&G fees. The university's 2004-05 E&G appropriation per FTES is \$1,498 below the state average for comprehensive institutions.
- Compared to its national peer group (public institutions only), JMU ranks second to last in total E&G funding per FTE student. JMU would need an additional \$1,880 per student — or \$28.2 million for the institution — to reach the peer group median.
- The university continues to be a financially effective institution. On the most commonly used indicator of financial effectiveness (percent of operating expenditures devoted to instruction and academic support), JMU ranks first among its peer group and the second highest among the state's comprehensive institutions. JMU also spends less on administration per student than any other Virginia public college or university and is the fourth lowest of 19 institutions reporting comparable data in its national peer group on percent of E&G budget expended on institutional support. These data indicate that JMU focuses its financial resources on its primary mission of instruction.
- Virginia remains — in spite of its absolute dollar increase in general fund support to higher education for 1995-96 to 2001-02 — a high tuition and fee state. The Commonwealth ranks ninth highest out of 50 states and the third highest in the southern region for 2003-04 in-state undergraduate student charges. Virginia also remains low in general fund support for higher education. Nationally the Commonwealth ranks 38th in appropriations per \$1,000 in FY 2005 and regionally, ranks 14th out of 15 southern states in FY 2003-04 on this important indicator.
- An education at a state public college or university has become less affordable for the average Virginian. The average cost of a year's higher education at a public college or university rose from 37 percent of per capita disposable income in 2003-04 to 37.1 percent in 2004-05. Prior to 2002-03, the percentage had declined every year since its high in 1995-96 of 40.3 percent.

2.0 TUITION AND FEES

2.1 National Trends

**Changes in College Tuition
Compared With Consumer Price Index**



Concerns over the rising costs of attending colleges and universities have heightened in the past few years and are influencing state policies regarding tuition and fees. Since 1981-82 the average cost of attending colleges and universities has increased faster than the rate of inflation as measured by the Consumer Price Index (CPI). As indicated by the chart above, this trend has strengthened markedly since 2000-01 as states have reduced general fund appropriations for public higher education in response to declining tax revenues and colleges and universities have increased tuition to compensate.

Factors involved in rising costs for higher education include:

- Reduction in state general fund support,
- Faculty salaries rising faster than general inflation,
- Relative decline in federal student grant programs,
- High cost of institutionally funded financial aid,
- Migration of students from low to high cost disciplines,
- Administrative support and governmentally imposed requirements have risen,
- The need to keep pace with new technologies,
- Federal funding for research has not kept up with institutional expenditures for research,
- Program expansion, and
- New construction or renovation.

Expanding enrollments in the 1960s and 70s permitted colleges and universities to spread fixed costs and increase total expenditures (15 percent per year from 1970 to 1975) while holding per student expenditure increases to 4.0 percent annually. In the decade of the 1980s, the rate of increase in tuition did not come down as fast as the CPI because — at least in part — students were paying a larger share of the costs of their education. In the public sector, more than half of the added tuition revenue from 1982 to 2004 represents increases in the share of educational costs borne by students to compensate for decreases in state general fund support.

Virginia's tuition and fees are higher than corresponding national and regional charges. The Commonwealth's position as a high tuition state is reflected in national comparisons that rank Virginia 12th highest among the fifty states. This is an improvement from previous years when Virginia was ranked as high as 2nd. The lower ranking reflects the tuition freeze initiated by Governor Allen in 1996 and funded by the 1996 through 2001 General Assemblies.

The 1998 Acts of Assembly established the Joint Subcommittee on Higher Education Funding Policies to develop funding guidelines. The Joint Subcommittee adopted higher education funding guidelines for Virginia public institutions in December 2000. The funding guidelines for operation and maintenance of plant were developed and added to the higher education funding guidelines in 2001.

In addition, the Joint Subcommittee on Higher Education Funding Policies adopted a fund share policy of 67/33 between general fund support and tuition revenue for base funding estimates derived by the funding guidelines in 2003.

The following pages contain two tables (pages 4 and 5) and two graphics (pages 6 and 7) comparing Virginia's and JMU's positions on tuition and fees relative to national data from forty-six states. The two tables on pages 4 and 5 compare the rate of increase in undergraduate tuition and required fees, by state, for state colleges and universities for in-state (page 4) and out-of-state (page 5) students. Virginia's four-year rate of increase in 2003-04 was the 25th highest out of 46 states for in-state students and 33rd highest for out-of-state students. In 1990-00 Virginia's four-year ranking was 46th out of 46 for in-state students and 46th for out-of-state students. In other words, tuition and fee increases in Virginia moderated substantially between 1995-96 and 1999-00, but has increased since then. The graphic on page 6 compares in-state undergraduate tuition and required fees for selected states. Virginia ranked 9th highest among the fifty states and \$329 above the national average. In 1995-96 Virginia was ranked 2nd. However, it remains to be seen how JMU's rankings will change after the massive budget cuts and rapidly increasing tuition rates that have occurred recently.

The graphic on page 7 compares JMU's tuition and fees to those of our SCHEV peer group. JMU ranks 15th highest out of 25 peer institutions. JMU's 2004-05 tuition and required fees are \$5,476. This figure is below our peer group average of \$8,579. However, when JMU's figure is compared with the 19 other publicly funded peer institutions, it ranks 11th highest, an improvement from 14th one year ago. The public average for 2004-05, including JMU, is \$5,204.

Virginia's one-year rate of change for in-state tuition and required fees for 2003-04 was 13.7 percent. This was 2.1 percent higher than the national average of 11.6 percent. For out-of-state students, Virginia's average was 8.9 percent – 0.6 percent below the national average of 9.5 percent.

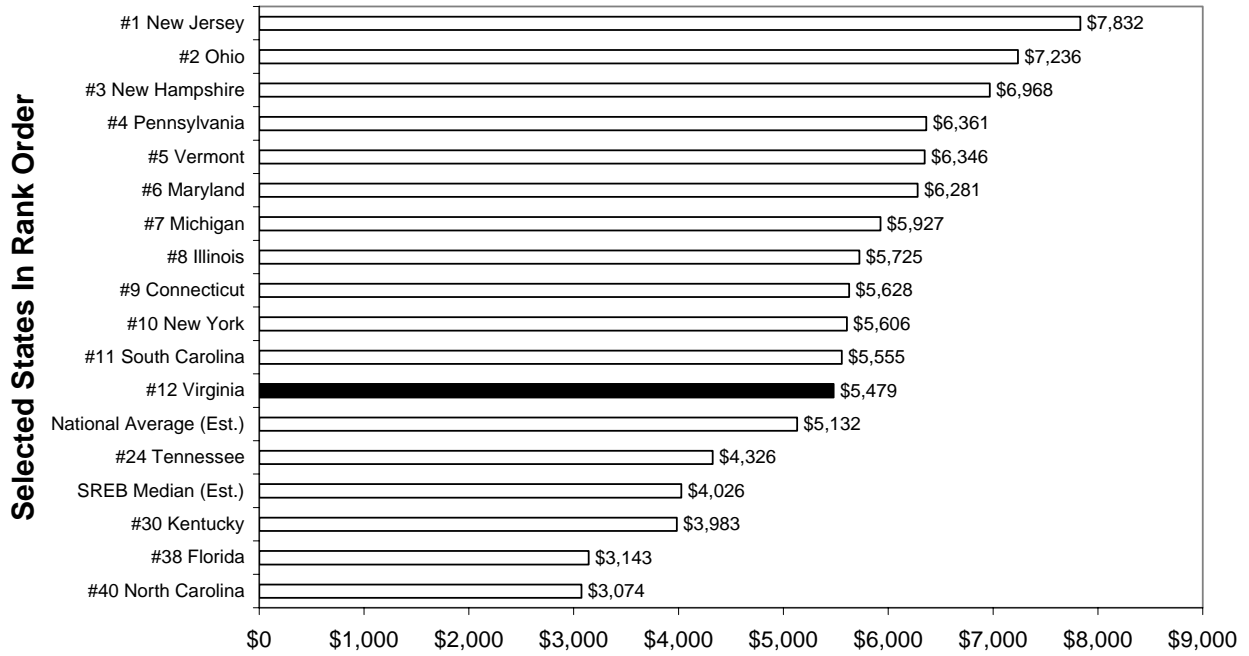
**RESIDENT UNDERGRADUATE TUITION AND REQUIRED FEES
(STATE AVERAGES) COLLEGES AND STATE UNIVERSITIES**

	1999-00	2000-01	2001-02	2002-03	2003-04	Percentage Increase	
						One Year	Four Year
Alabama	2,761	2,916	3,261	3,488	3,913	12.2%	41.7%
Arizona	2,259	2,344	2,486	2,583	3,593	39.1%	59.1%
Arkansas	2,801	2,974	3,477	3,725	4,130	10.9%	47.4%
California	1,847	1,859	1,897	2,072	2,649	27.8%	43.4%
Colorado	2,302	2,353	2,511	2,704	2,765	2.3%	20.1%
Connecticut	3,747	3,908	4,172	4,556	5,149	13.0%	37.4%
Florida	2,233	2,348	2,551	2,698	2,876	6.6%	28.8%
Georgia	2,239	2,361	2,480	2,605	2,848	9.3%	27.2%
Idaho	2,340	2,514	2,732	3,060	3,350	9.5%	43.1%
Illinois	3,844	4,001	4,215	4,606	5,238	13.7%	36.3%
Indiana	3,556	3,697	3,947	4,468	4,936	10.5%	38.8%
Iowa	2,988	3,130	3,440	4,118	4,916	19.4%	64.5%
Kansas	2,216	2,354	2,424	2,593	2,946	13.6%	33.0%
Kentucky	2,533	2,699	2,897	3,205	3,644	13.7%	43.8%
Louisiana	2,224	2,473	2,492	2,587	2,983	15.3%	34.1%
Maine	3,393	3,510	3,690	3,860	4,183	8.4%	23.3%
Maryland	4,426	4,650	4,759	5,225	5,747	10.0%	29.8%
Massachusetts	3,206	3,260	3,295	4,075	4,988	22.4%	55.6%
Michigan	3,800	4,027	4,501	4,943	5,423	9.7%	42.7%
Minnesota	3,076	3,238	3,561	3,970	4,517	13.8%	46.8%
Mississippi	2,689	2,789	3,207	3,531	3,531	0.0%	31.3%
Missouri	3,019	3,202	3,436	4,127	4,562	10.6%	51.1%
Montana	2,823	2,924	3,222	3,707	3,827	3.2%	35.5%
Nebraska	2,500	2,693	2,916	3,199	3,659	14.4%	46.4%
Nevada	2,145	2,220	2,295	2,370	2,550	7.6%	18.9%
New Hampshire	5,034	5,309	5,557	5,995	6,375	6.3%	26.6%
New Jersey	5,002	5,328	5,762	6,533	7,166	9.7%	43.3%
New Mexico	1,762	1,933	2,042	2,222	2,471	11.2%	40.2%
New York	3,963	4,006	4,068	4,153	5,129	23.5%	29.4%
North Carolina	1,862	2,025	2,255	2,677	2,812	5.0%	51.0%
North Dakota	2,709	2,790	2,909	3,191	3,594	12.6%	32.7%
Ohio	4,396	4,674	5,058	5,920	6,620	11.8%	50.6%
Oklahoma	1,944	1,996	2,171	2,377	2,762	16.2%	42.0%
Oregon	3,362	3,435	3,650	4,223	4,493	6.4%	33.7%
Pennsylvania	4,476	4,695	4,969	5,532	5,820	5.2%	30.0%
Rhode Island	3,260	3,371	3,521	3,761	3,995	6.2%	22.5%
South Carolina	3,350	3,350	3,790	4,340	5,082	17.1%	51.7%
South Dakota	3,258	3,485	3,702	3,987	4,322	8.4%	32.6%
Tennessee	2,622	2,852	3,246	3,491	3,958	13.4%	51.0%
Texas	2,468	2,651	2,724	3,259	3,763	15.5%	52.5%
Utah	2,042	2,106	2,252	2,426	2,632	8.5%	28.9%
Vermont	4,780	4,944	5,132	5,374	5,806	8.0%	21.5%
Virginia	3,658	3,730	3,841	4,417	5,023	13.7%	37.3%
Washington	2,796	2,890	3,071	3,471	3,700	6.6%	32.3%
West Virginia	2,393	2,494	2,593	2,870	3,162	10.2%	32.2%
Wisconsin	3,027	3,058	3,272	3,526	4,180	18.6%	38.1%
National Average	3.7%	4.6%	6.8%	10.5%	11.6%	11.6%	37.8%
Virginia Ranking	11	11	12	11	12	14	25

NONRESIDENT UNDERGRADUATE TUITION AND REQUIRED FEES (STATE AVERAGES) COLLEGES AND STATE UNIVERSITIES

	1999-00	2000-01	2001-02	2002-03	2003-04	Percentage Increase	
						One Year	Four Year
Alabama	5,337	5,628	6,252	6,694	7,500	12.0%	40.5%
Arizona	8,893	9,288	10,352	11,103	12,113	9.1%	36.2%
Arkansas	5,663	6,026	7,019	7,535	8,176	8.5%	44.4%
California	9,965	9,241	9,279	10,532	11,109	5.5%	11.5%
Colorado	8,074	8,406	8,851	9,501	10,290	8.3%	27.5%
Connecticut	9,287	9,661	10,145	10,758	12,134	12.8%	30.7%
Florida	9,222	9,686	10,439	11,971	13,781	15.1%	49.4%
Georgia	7,663	7,989	8,501	8,860	9,781	10.4%	27.6%
Idaho	8,400	8,634	8,952	9,380	10,010	6.7%	19.2%
Illinois	8,284	8,580	8,425	9,158	10,159	10.9%	22.6%
Indiana	9,200	9,594	10,186	11,438	12,379	8.2%	34.6%
Iowa	7,748	8,094	8,762	10,426	11,874	13.9%	53.3%
Kansas	7,179	7,549	7,759	8,253	9,206	11.5%	28.2%
Kentucky	6,842	7,255	7,739	8,419	9,290	10.3%	35.8%
Louisiana	7,148	7,858	7,893	8,017	8,403	4.8%	17.6%
Maine	7,883	8,120	8,490	8,980	9,763	8.7%	23.8%
Maryland	9,600	10,175	10,567	11,511	12,701	10.3%	32.3%
Massachusetts	9,545	9,805	10,433	11,480	12,636	10.1%	32.4%
Michigan	8,732	9,149	10,243	11,164	12,205	9.3%	39.8%
Minnesota	6,406	6,574	7,180	6,781	7,939	17.1%	23.9%
Mississippi	5,631	6,510	7,487	8,152	8,152	0.0%	44.8%
Missouri	5,674	6,002	6,451	7,732	8,552	10.6%	50.7%
Montana	7,726	8,056	9,049	10,319	11,116	7.7%	43.9%
Nebraska	4,364	4,654	5,140	5,760	6,595	14.5%	51.1%
Nevada	8,492	9,200	9,510	10,155	11,037	8.7%	30.0%
New Hampshire	10,344	10,619	11,057	11,655	12,425	6.6%	20.1%
New Jersey	8,061	8,530	9,239	10,447	11,430	9.4%	41.8%
New Mexico	6,440	7,078	7,706	8,438	9,023	6.9%	40.1%
New York	8,863	8,906	8,968	9,115	11,079	21.6%	25.0%
North Carolina	9,021	9,244	10,121	11,534	12,112	5.0%	34.3%
North Dakota	5,952	6,167	6,435	6,944	7,983	15.0%	34.1%
Ohio	9,960	10,471	11,161	12,685	13,759	8.5%	38.2%
Oklahoma	4,599	4,651	5,064	5,530	6,662	20.5%	44.8%
Oregon	9,090	9,567	10,020	10,843	11,304	4.3%	24.4%
Pennsylvania	9,244	9,698	10,305	11,356	12,058	6.2%	30.4%
Rhode Island	8,185	8,471	8,911	9,525	10,195	7.0%	24.6%
South Carolina	6,610	6,610	7,410	8,530	10,029	17.6%	51.7%
South Dakota	7,077	7,438	7,785	8,236	9,033	9.7%	27.6%
Tennessee	7,810	8,524	9,768	10,502	11,834	12.7%	51.5%
Texas	9,076	8,835	8,980	9,734	10,799	10.9%	19.0%
Utah	6,058	6,283	6,718	7,292	7,958	9.1%	31.4%
Vermont	10,276	10,632	11,048	11,586	12,360	6.7%	20.3%
Virginia	10,289	10,572	10,970	11,995	13,068	8.9%	27.0%
West Virginia	5,791	5,993	6,338	7,016	7,767	10.7%	34.1%
Wisconsin	9,891	10,586	12,040	13,572	14,226	4.8%	43.8%
Washington	9,761	9,989	10,651	11,626	12,168	4.7%	24.7%
National Average	3.9%	4.2%	6.6%	9.0%	9.5%	9.5%	32.5%
Virginia Ranking	2	4	5	3	4	26	33

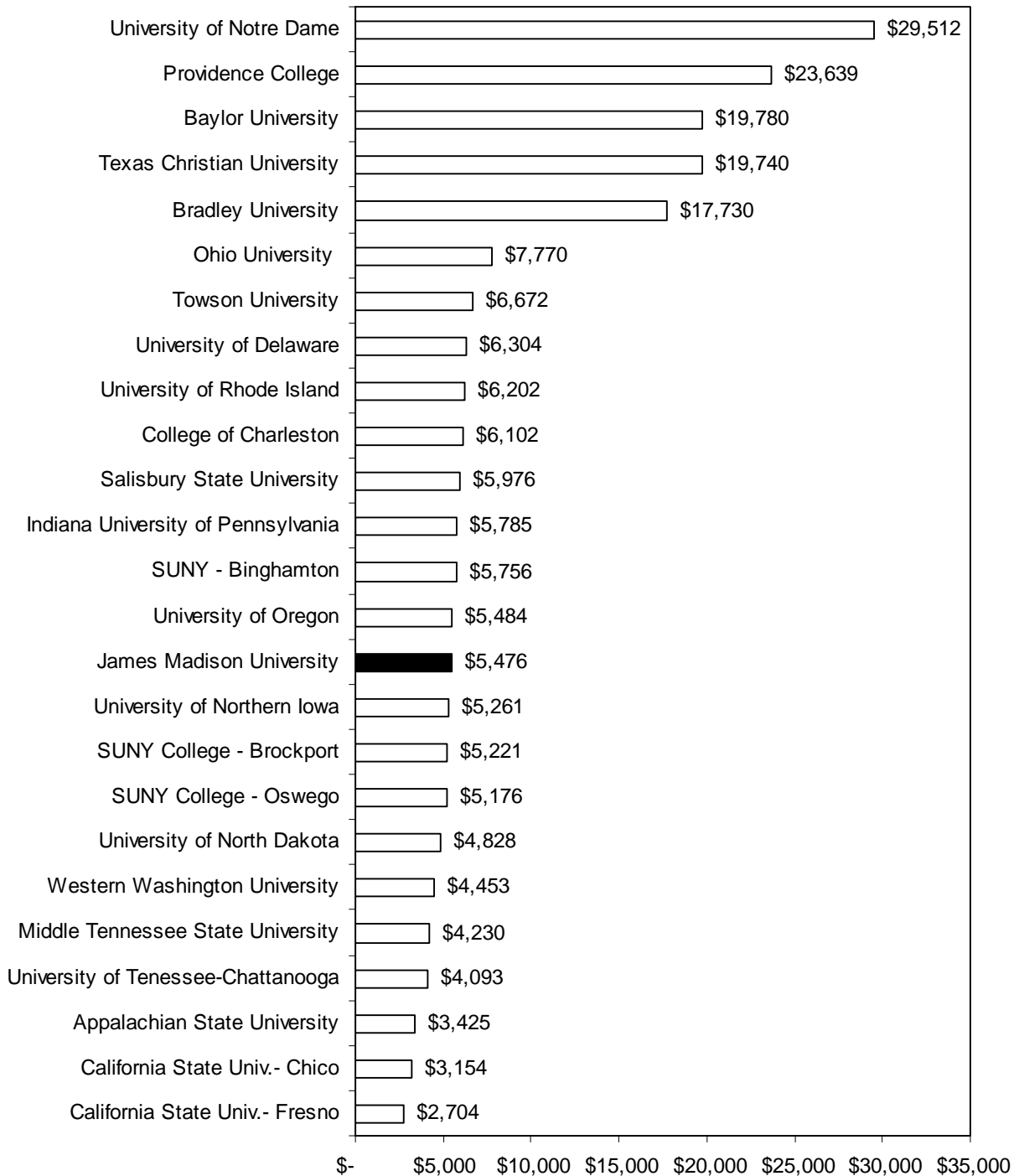
2004-05 Estimated In-State Tuition & Fees Public Comprehensives



Source: SCHEV

Note: SREB and National tuition and fees were estimated to increase by 10.5 percent during 2004-05.

2004-05 SCHEV Peer Group: In-State Tuition and Required Fees



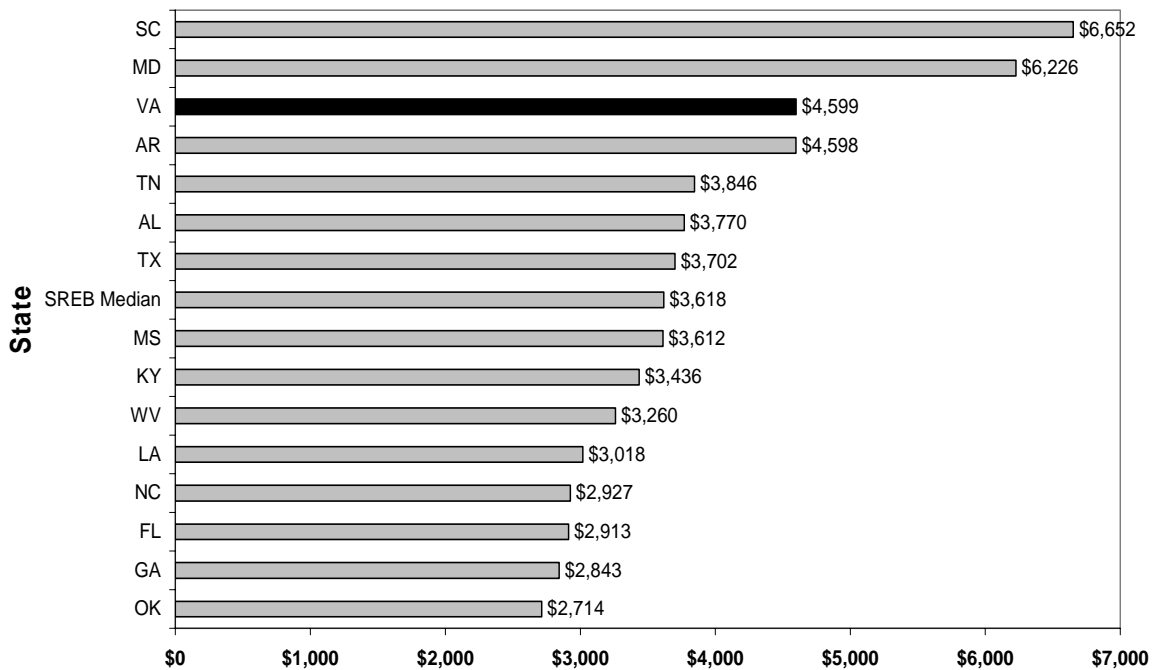
2.2 Regional Trends

Virginia is part of the Southern Regional Education Board (SREB) – the nation's first interstate compact for education. SREB was created in 1948 at the request of southern governors and acts as a clearinghouse for information on trends and issues that affect education in the south.

Colleges and universities are classified according to SREB definitions based on institutional size and degree programs. Undergraduate tuition and fees charged students in each state's universities and colleges are compared with specific groups based on SREB definitions. For example, James Madison University is considered to be a Four-Year 3 institution. A Four-Year 3 institution awards at least 100 doctoral, masters, education specialist, or post-master's certificates and degrees distributed among at least 10 broad program areas. JMU and Radford are the Four-Year 3 institutions in the Virginia system of higher education. Data for 2004-05 will be available in December 2005 and will appear in next year's report.

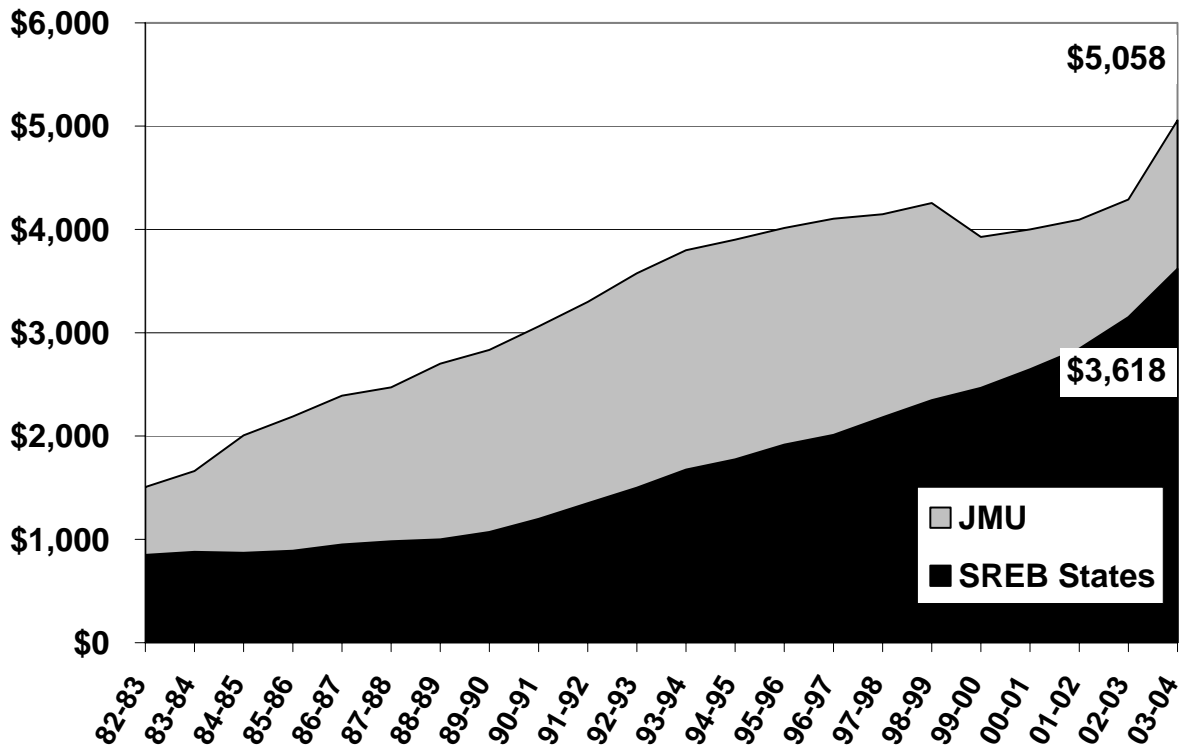
As the graphic below demonstrates, Virginia has the third highest tuition and fees for in-state undergraduates at regional Four-Year 3 institutions. This is up from fourth in 2002-03. Virginia's increase (14 percent) was slightly below the median (15 percent) for all the states.

**2003-04 In-State Undergraduate Tuition and Fees
Four-Year 3 Institutions**



Source: Southern Regional Education Board

In-State Tuition and Fees JMU & SREB States, 1982-83 to 2003-04



Source: SREB

"Tuition and fees" refers to the annual tuition and mandatory fees charged all full-time undergraduate students. Mandatory fees do not include special fees assessed in particular programs; for example music, science laboratories, or nursing. Nor are other fees unique to given situations included; for example late registration fees or automobile registration fees. Mandatory fees do include health service fees, building use fees, student activity fees, and athletic fees where the fee is not optional for full-time students.

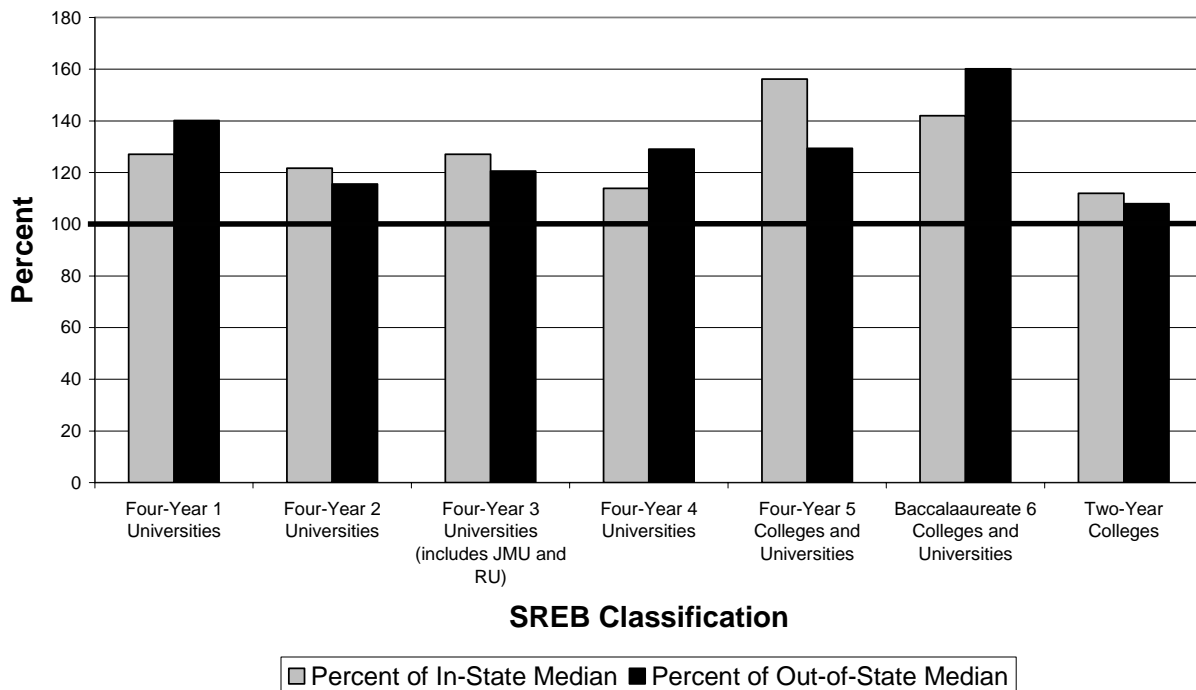
Tuition and fees for in-state undergraduate students at JMU increased less than the SREB median for Four-Year 3 institutions over the past ten years. Since 1982-83, in-state undergraduate student charges at JMU rose 186 percent while median charges in the region went up 271 percent. JMU's tuition and fees are now 140 percent (less than the 151 percent in 2000-01, but down from 255 percent in 1990-91) of the SREB regional median for Four-Year 3 institutions. In 2003-04, JMU's in-state tuition and required fees were \$1,440 above the regional median for comparable institutions. The tuition and fee data for 2004-05 are likely to reverse the pattern of the previous ten years as the Virginia institutions were allowed to raise tuition and fees for 2003-04 and 2004-05 to recover some of the revenues lost from the state.

The following two charts illustrate Virginia's percentage ranking for in-state and out-of-state tuition and fees as compared to the Southern Regional Education Board (SREB) institutional median.

Virginia Highlights
Percent of SREB Median Tuition and Fees by Residence
2003-04

SREB Classification	Percent of In-State Median	Percent of Out-of-State Median
Four-Year 1 Universities	127	140
Four-Year 2 Universities	122	116
Four-Year 3 Universities (includes JMU and RU)	127	121
Four-Year 4 Universities	114	129
Four-Year 5 Colleges and Universities	156	129
Baccalaureate 6 Colleges and Universities	142	160
Two-Year Colleges	112	108

Percent Of SREB Median Tuition And Fees By Residence, 2003-04



2.3 State Trends

Among the state's fifteen four-year colleges and universities, JMU's in-state tuition ranks 13th highest, required fees ranks 3rd, and room and board ranks 5th. Total in-state tuition, required fees, and room and board ranks 7th and JMU's out-of-state total cost ranks 7th as well.

In-State and Out-of-State Undergraduate Tuition, Required Fees And Room and Board for Virginia's State-Supported Institutions Of Higher Education, 2004-05

Rank	IS Tuition		OS Tuition		Required Fees		Room and Board		Total IS		Total OS	
	Inst	Amount	Inst	Amount	Inst	Amount	Inst	Amount	Inst	Amount	Inst	Amount
1	UVA	\$5,243	UVA	\$21,343	VMI	\$3,968	CNU	\$7,200	VMI	\$13,528	UVA	\$28,660
2	VPI	\$4,826	CWM	\$19,191	LU	\$3,041	VCU	\$6,920	CWM	\$13,162	CWM	\$27,968
3	CWM	\$4,385	VMI	\$17,548	JMU	\$2,724	VSU	\$6,260	UVA	\$12,560	VMI	\$26,990
4	VMI	\$4,086	VCU	\$15,985	CWM	\$2,711	NSU	\$6,236	CNU	\$12,514	VCU	\$24,222
5	GMU	\$3,984	VPI	\$15,569	VSU	\$2,394	JMU	\$6,116	VCU	\$12,058	GMU	\$21,857
6	VCU	\$3,821	GMU	\$14,352	CNU	\$2,128	CWM	\$6,066	LU	\$11,836	VPI	\$20,869
7	UMW	\$3,671	ODU	\$12,692	NSU	\$2,075	GMU	\$6,041	JMU	\$11,592	JMU	\$20,536
8	LU	\$3,400	UVA W	\$12,260	ODU	\$1,996	UVA	\$5,960	GMU	\$11,489	NSU	\$20,491
9	ODU	\$3,272	NSU	\$12,180	UVA W	\$1,942	RU	\$5,886	ODU	\$10,974	ODU	\$20,394
10	CNU	\$3,186	UMW	\$12,077	RU	\$1,788	UMW	\$5,744	UMW	\$10,871	CNU	\$19,876
11	RU	\$2,974	JMU	\$11,696	GMU	\$1,464	ODU	\$5,706	VSU	\$10,804	UVAW	\$19,810
12	UVAW	\$2,840	CNU	\$10,548	UMW	\$1,456	UVAW	\$5,608	RU	\$10,648	UMW	\$19,277
13	JMU	\$2,752	RU	\$9,972	UVA	\$1,357	VMI	\$5,474	NSU	\$10,531	LU	\$18,346
14	NSU	\$2,220	LU	\$9,910	VCU	\$1,317	LU	\$5,395	UVAW	\$10,390	VSU	\$17,722
15	VSU	\$2,150	VSU	\$9,068	VPI	\$1,012	VPI	\$4,288	VPI	\$10,126	RU	\$17,646

Source: SCHEV Report on 2004-05 Tuition and Fees, June 30, 2004.

NOTES:

1. All required fees listed are for general undergraduate students, living both on- and off-campus and, therefore, exclude any special fees for specific curriculums or special charges associated with dormitory living, such as room and board.
2. Room and board charges are weighted averages for double occupancy rooms.
3. Old Dominion University charges a per credit hour rate to all undergraduate and graduate students. The full-time charges for undergraduate tuition and required fees are based on 30 regular session credit hours, 15 hours per semester.
4. At Virginia Military Institute, all students are required to live on post; therefore, room, board and laundry fees are also required fees.

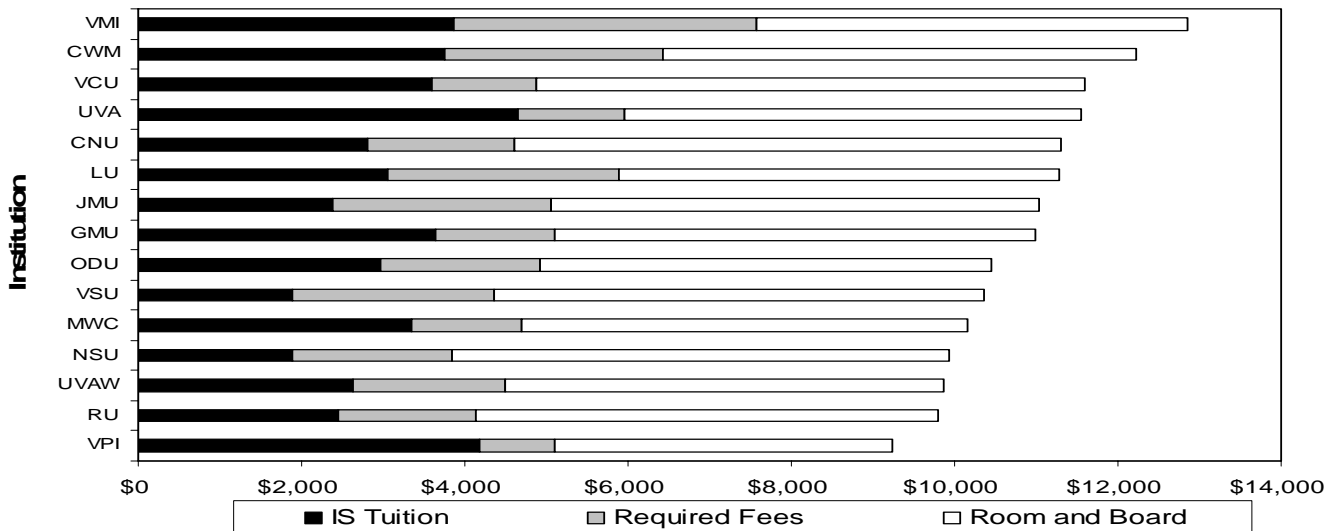
2004-05 Full-Time In-State Undergraduate Student Charges

Institution	Tuition and Mandatory Fees	Percent Change From 03-04	Room and Board	Percent Change From 03-04	Total	Percent Change From 03-04
GMU	\$5,448	6.60%	\$6,041	2.70%	\$11,489	4.50%
ODU	\$5,268	6.90%	\$5,706	3.50%	\$10,974	5.10%
UVA	\$6,600	10.70%	\$5,960	6.60%	\$12,560	8.70%
VCU	\$5,138	5.50%	\$6,920	2.90%	\$12,058	4.00%
VPI	\$5,838	14.60%	\$4,288	3.40%	\$10,126	9.60%
CWM	\$7,096	10.40%	\$6,066	4.70%	\$13,162	7.70%
CNU	\$5,314	15.50%	\$7,200	7.50%	\$12,512	10.70%
UVA-Wise	\$4,782	6.40%	\$5,608	4.50%	\$10,390	5.40%
JMU	\$5,476	8.30%	\$6,116	2.50%	\$11,592	5.20%
LU	\$6,441	9.60%	\$5,395	-0.20%	\$11,836	4.90%
UMW	\$5,127	9.40%	\$5,744	4.90%	\$10,871	6.90%
NSU	\$4,295	11.80%	\$6,236	2.30%	\$10,531	6.00%
RU	\$4,762	15.00%	\$5,886	4.00%	\$10,648	8.70%
VMI	\$8,054	6.20%	\$5,474	3.90%	\$13,528	5.30%
VSU	\$4,554	4.50%	\$6,260	4.20%	\$10,804	4.30%
VCCS	\$2,006	6.50%	N/A	N/A	\$2,200	5.80%
Doct. Avg.	\$5,898	9.12%	\$5,830	3.97%	\$11,728	6.60%
Comp. Avg.	\$5,423	9.63%	\$5,991	3.73%	\$11,412	6.38%
Avg.-All *	\$5,613	9.43%	\$5,927	3.83%	\$11,539	6.47%

Source: SCHEV Report on 2004-05 Tuition and Fees, June 30, 2004. * Excludes VCCS

Annual increases in Virginia for in-state tuition and required fees from 2003-04 to 2004-05 for the senior institutions ranged from 4.5 percent at Virginia State University to 15.5 percent at Christopher Newport University. Annual increases in Virginia for the senior institutions for in-state tuition, required fees, and room and board ranged from 4.0 percent at Virginia Commonwealth University to 10.7 percent at Christopher Newport University.

VA Public In-State Charges, 2004-05 Combined Tuition/Fees, Room/Board



2004-05 Full-Time Out-of-State Undergraduate Student Charges

Institutions	Tuition & Mandatory Fees 04-05	Percent Change From 03-04	Room & Board 04-05	Percent Change From 03-04	Total Out-of-State 04-05	Percent Change From 03-04
GMU	\$15,816	5.78%	\$6,041	2.72%	\$21,857	4.90%
ODU	\$14,688	4.33%	\$5,706	3.50%	\$20,394	4.10%
UVA	\$22,700	3.26%	\$5,960	6.60%	\$28,660	3.90%
VCU	\$17,302	0.52%	\$6,920	2.93%	\$24,222	1.20%
VT	\$16,581	10.33%	\$4,288	3.42%	\$20,869	8.80%
W&M	\$21,902	3.23%	\$6,066	4.69%	\$27,968	3.50%
CNU	\$12,676	3.06%	\$7,200	7.46%	\$19,876	4.60%
UVA-Wise	\$14,202	6.12%	\$5,608	4.53%	\$19,810	5.70%
JMU	\$14,420	8.58%	\$6,116	2.51%	\$20,536	6.70%
LU	\$12,951	9.26%	\$5,395	-0.24%	\$18,346	6.30%
UMW	\$13,533	8.82%	\$5,744	4.86%	\$19,277	7.60%
NSU	\$14,255	7.50%	\$6,236	2.26%	\$20,491	5.90%
RU	\$11,760	4.98%	\$5,886	3.99%	\$17,646	4.60%
VMI	\$21,516	6.01%	\$5,474	3.95%	\$26,990	5.60%
VSU	\$11,462	1.79%	\$6,260	4.19%	\$17,722	2.60%
VCCS	\$6,429	1.95%	N/A	N/A	\$6,429	2.00%
Doct. Avg.	\$18,165	4.57%	\$5,830	3.98%	\$23,995	4.40%
Comp. Avg.	\$14,086	6.24%	\$5,991	3.72%	\$20,077	5.51%
Avg. All*	\$15,718	5.57%	\$5,927	3.83%	\$21,644	5.07%

Source: SCHEV Report on 2004-05 Tuition and Fees, June 30, 2004.

***Excludes VCCS**

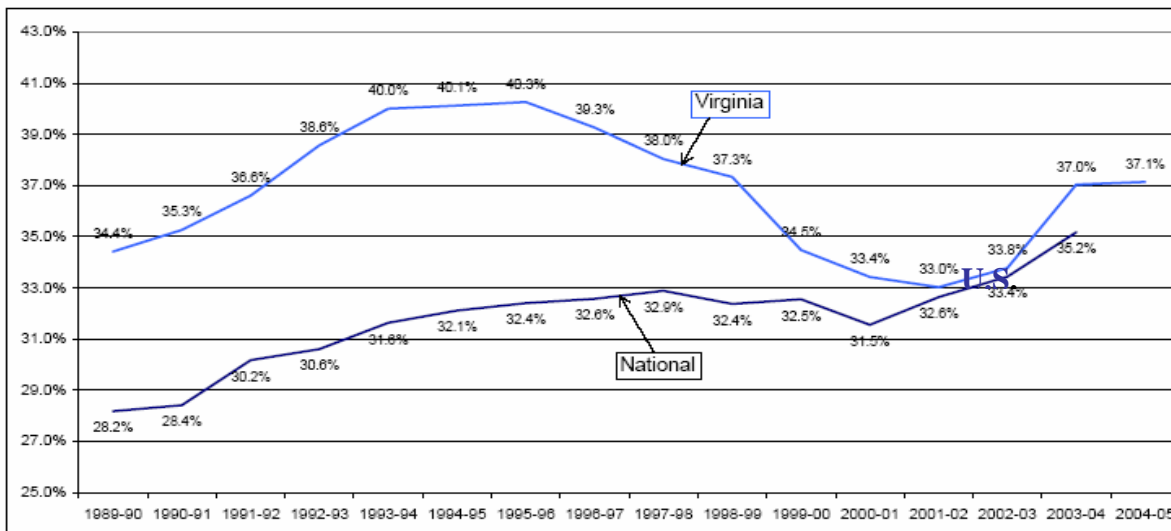
Annual percent changes in Virginia for out-of-state tuition and required fees from 2003-04 to 2004-05 for the senior institutions ranged from 0.5 percent at Virginia Commonwealth University to 10.3 percent at Virginia Tech. Annual increases in Virginia for out-of-state tuition, required fees, and room and board for the senior institutions ranged from 1.2 percent for Old Dominion University to 8.8 percent at Virginia Commonwealth University.

The following contains analyses from SCHEV that illustrates the ability of the average Virginian to afford higher education at one of the Commonwealth's public colleges or universities.

According to SCHEV's annual tuition and fee report,

“Compared to other states, Virginia’s median in-state undergraduate charges as a percentage of per capita disposable income have exceeded the national average over the last decade. In 1990, Virginia’s per capita disposable income was about 6% higher than the national average. In contrast, the median total undergraduate charge (including room and board) for in-state undergraduate students was nearly 30% higher than the national norm. Nationally, total charges represented 28.2% of per capita disposable income, while the rate was 34.4% in Virginia. However, the Commonwealth’s policy to restrain and reduce in-state undergraduate tuition between 1994 and 2002 reduced the gap between the state and national averages. By 2001-02, the relationship between student charges and income had changed substantially in Virginia. The median charges for in-state undergraduates represented about the same percentage of income in Virginia (33.0%) as they did nationally (32.6%). However, the gap widened once again in 2003-04. The median charges for in-state undergraduates represented 37.0% of income in Virginia compared to the national average of 35.2% as shown in Chart 7A. It should be noted, however, that the 37% cost share to a Virginia family is still less than the 40% share paid ten years ago. National data for 2004-05 will not be available until late 2004, so the impact of the recent tuition and fee increases in Virginia relative to the nation is yet to be evaluated.”

**Average Public 4-Year Total Undergraduate Charges
As a Percent of Per Capita Disposable Income**



Note: Cost includes tuition and mandatory fees, and room and board.
The 2003-04 national average is estimated based on the annual increase rate in the prior year.
Source: College Board, US Bureau of Economic Analysis, and SCHEV.

The graphic above from SCHEV demonstrates that a higher education at a Virginia public institution became considerably more affordable between the mid 1990s and 2002-03. The upward trend in the last two years is – however – disturbing and very similar to when the state was coming out of the recession of the early 1990s. Currently it is uncertain what the trend will be in the next few years.

2.4 Tuition and Fee History

JMU Tuition, Fee, and Room and Board Charges 1995-96 to 2004-05

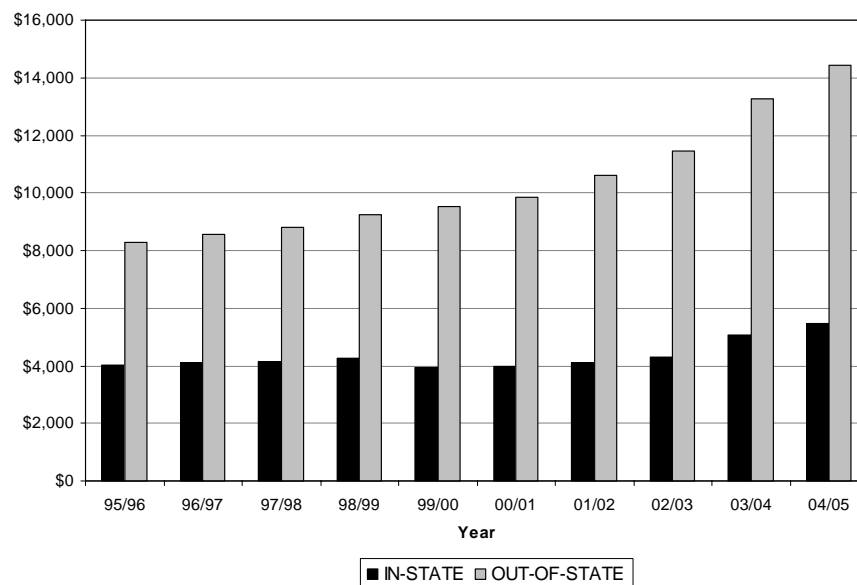
	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05
IN-STATE										
Tuition & Fees	\$1,932	\$1,940	\$1,940	\$1,982	\$1,586	\$1,586	\$1,586	\$1,728	\$2,420	\$2,752
Comp. Fee	\$2,082	\$2,164	\$2,208	\$2,274	\$2,340	\$2,414	\$2,508	\$2,560	\$2,638	\$2,724
Total Commuter	\$4,014	\$4,104	\$4,148	\$4,256	\$3,926	\$4,000	\$4,094	\$4,288	\$5,058	\$5,476
Room & Board ²	\$4,680	\$4,884	\$4,994	\$5,264	\$5,392	\$5,504	\$5,678	\$5,794	\$5,966	\$6,116
Total On-Campus	\$8,694	\$8,988	\$9,142	\$9,520	\$9,318	\$9,504	\$9,772	\$10,082	\$11,024	\$11,592
OUT-OF-STATE										
Tuition & Fees	\$6,212	\$6,416	\$6,608	\$6,982	\$7,192	\$7,436	\$8,098	\$8,912	\$10,642	\$11,696
Comp. Fee	\$2,082	\$2,164	\$2,208	\$2,274	\$2,340	\$2,414	\$2,508	\$2,560	\$2,638	\$2,724
Total Commuter	\$8,294	\$8,580	\$8,816	\$9,256	\$9,532	\$9,850	\$10,606	\$11,472	\$13,280	\$14,420
Room & Board*	\$4,680	\$4,884	\$4,994	\$5,264	\$5,392	\$5,504	\$5,678	\$5,794	\$5,966	\$6,116
Total On-Campus	\$12,974	\$13,464	\$13,810	\$14,520	\$14,924	\$15,354	\$16,284	\$17,266	\$19,246	\$20,536

Source: JMU Budget Office

¹ Before mid-year tuition increases

² Based on 19-meal plan

JMU Tuition and Fee History 1995-96 to 2004-05



The table below shows JMU's total E&G funding (tuition, E&G fees and general funds) per FTE student in relation to its public national peer group for 2002-03 – the most recent year for which the data are available. JMU is 18th out of the 19 public universities. At \$8,078 (down from \$8,452 in 2001-02) per FTES, JMU was \$1,880 below the median and \$2,041 below the 60th percentile. For 2002-03, JMU would have required an additional \$28.2 million in E&G operating funds to reach the median of its national peer group or \$30.6 million to reach the 60th percentile.

TOTAL FUNDING PER FTE STUDENT
JMU National Peer Group (Public Institutions Only)
2002-03 Data

Institution Name	Fall 2002 FTE Students	Tuition & Fees	State Appropriations	Total Tuition & Fees Plus State Appropriations	Total Revenue Per FTES
University Of Rhode Island	11,218	\$83,991,667	\$81,989,847	\$165,981,514	\$14,796
Ohio University-Main Campus	18,842	\$132,891,136	\$119,980,539	\$252,871,675	\$13,421
University Of Oregon	17,739	\$137,657,619	\$71,024,547	\$208,682,166	\$11,764
SUNY At Binghamton	12,102	\$40,505,147	\$93,650,952	\$134,156,099	\$11,085
University Of North Dakota-Main Campus	10,605	\$47,645,592	\$68,813,100	\$116,458,692	\$10,981
California State University-Chico	14,834	\$33,654,618	\$122,604,377	\$156,258,995	\$10,534
University Of Northern Iowa	12,370	\$42,832,005	\$83,106,612	\$125,938,617	\$10,181
The University Of Tennessee-Chattanooga	7,031	\$31,713,666	\$39,706,700	\$71,420,366	\$10,158
Appalachian State University	12,925	\$49,217,137	\$79,503,047	\$128,720,184	\$9,959
California State University-Fresno	17,503	\$36,128,137	\$138,167,308	\$174,295,445	\$9,958
Indiana University Of Pennsylvania-Main Campus	12,399	\$62,164,927	\$57,348,862	\$119,513,789	\$9,639
Towson University	14,518	\$73,910,338	\$59,583,032	\$133,493,370	\$9,195
Western Washington University	12,782	\$55,814,391	\$57,183,323	\$112,997,714	\$8,841
SUNY College At Brockport	7,206	\$22,583,796	\$40,968,361	\$63,552,157	\$8,819
Salisbury University	6,012	\$26,682,200	\$26,200,058	\$52,882,258	\$8,796
College Of Charleston	10,151	\$53,187,117	\$29,681,597	\$82,868,714	\$8,164
Middle Tennessee State University	18,192	\$65,043,588	\$83,208,100	\$148,251,688	\$8,149
James Madison University	14,993	\$59,152,970	\$61,963,431	\$121,116,401	\$8,078
SUNY College At Oswego	7,572	\$21,932,669	\$34,603,052	\$56,535,721	\$7,466
				Median	\$9,958
				60th Percentile	\$10,119

Notes

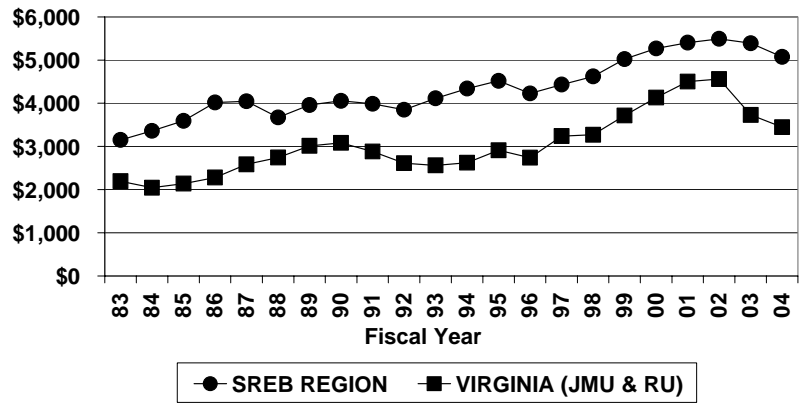
1. All data are taken from the 2002-03 IPEDS Finance (F1) and EF forms.
2. FTE students were calculated from Fall 2002 headcount data using the standard federal methodology.

3.2 Regional Trends

During the period of 1982-83 through 2003-04, Virginia ranked near the top in tuition and required fees among SREB Four-Year 3 institutions in the Southern Region Education Board states.

During this same time period, state general fund operating appropriations per FTE student in Virginia ranked near the bottom among similar institutions in SREB states. In 2003-04 Virginia ranked 14th out of 15 states.

**GF Appropriations Per Student Comparisons
Four-Year 3 Institutions**

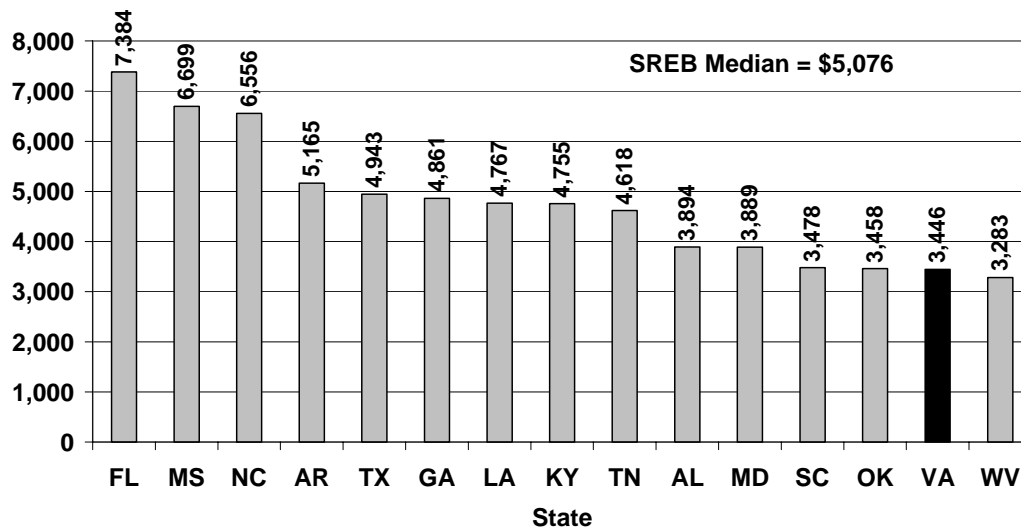


Source: SREB Data Exchange

Per-student funding for Virginia's Four-Year 3 institutions gained ground on the SREB regional average between 1990-91 and 2001-02, but lost significant ground in 2002-03 and 2003-04. Since 1991-92, the funding per full-time equivalent (FTE) student at the Virginia Four-Year 3 institutions rose 31.9 percent while the SREB regional average increased 31.8 percent.

As shown below, per FTE student funding in Virginia was \$1,630 below the regional median of \$5,076 for comparable institutions in 2003-04.

**2003-04 General Fund Appropriation
Per FTES, Four-Year 3 Institutions**



Source: SREB Data Exchange, January 2005

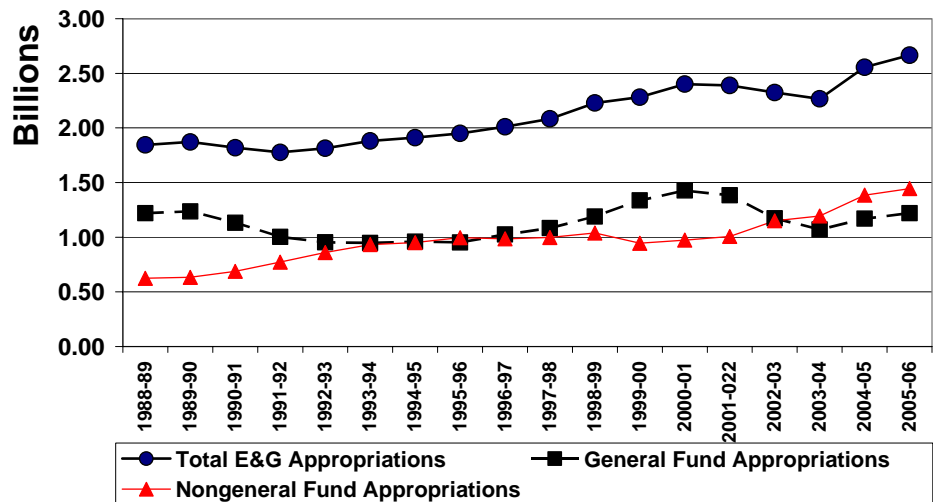
3.3 State Trends

As the chart to the right indicates, the funding of higher education in Virginia has been greatly influenced by policy and budgetary developments. In 1988-89 non-general funds per student were about 50 percent of general funds. By 1995-96 non-general funds per student were higher than general funds, indicating that students bore a significantly higher proportion of their total educational costs. The

situation improved markedly between 1996-97 and 2000-01, but budget problems resulted in the non-general funding distribution exceeding the values that existed in the mid-1990s.

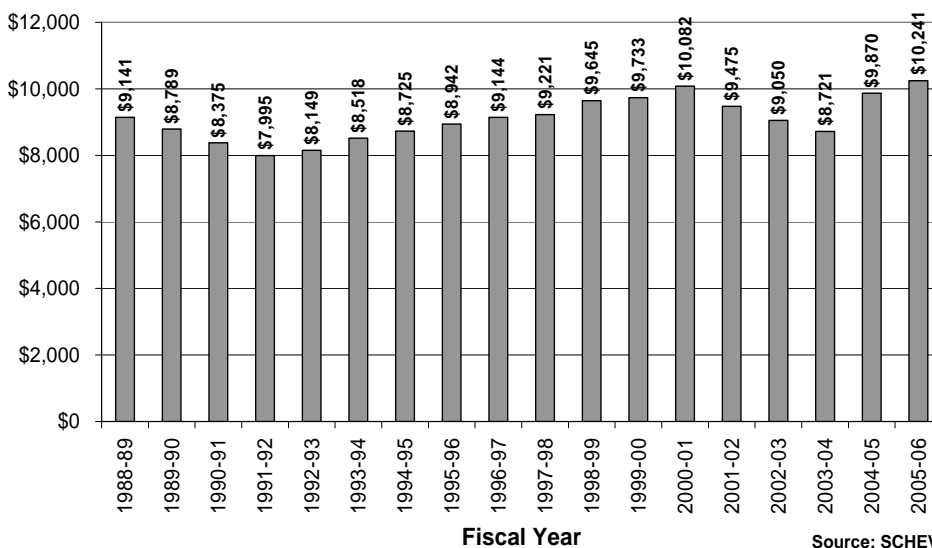
According to the data provided by SCHEV, general fund appropriations decreased by 4 percent, non-general fund appropriations increased by 122 percent and total E&G appropriations increased by 39 percent from FY 89 to FY 05. This means that the Virginia public institutions have more resources for operations now than they had 15 years ago, but this increase was generated from tuition revenue, not from state support.

Appropriation History of Education and General Programs in Virginia (in constant dollars)



Source: SCHEV

History Of Inflation Adjusted Total E&G Appropriations Per Total FTE Student



Source: SCHEV

As demonstrated in the chart to the left, total E&G funding in 2003-04 was less than 1988-89 funding. By 2005-06, total funding is expected to be 12 percent higher than in 1988-89. However, as shown above, this increase in funding is primarily borne by students and their parents.

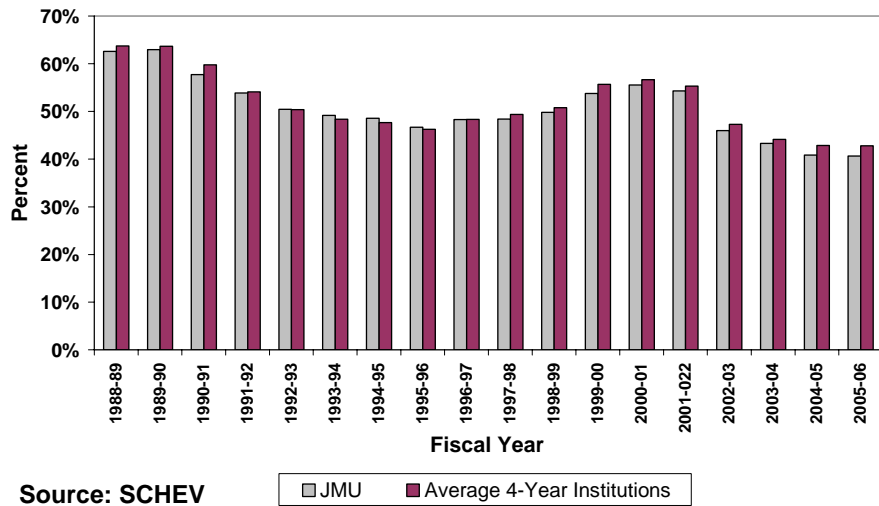
State general fund support to JMU dropped from 64 percent of the total educational and general (E&G) appropriation in 1988-89 to 46 percent in 1995-96.

The percentage increased to 55 in 2001-02, but dropped to 43 percent in 2004-05.

JMU's percentage mirrored that of the other four-year Virginia institutions. While improvement occurred between 1995-96 and 2001-02, the percentage

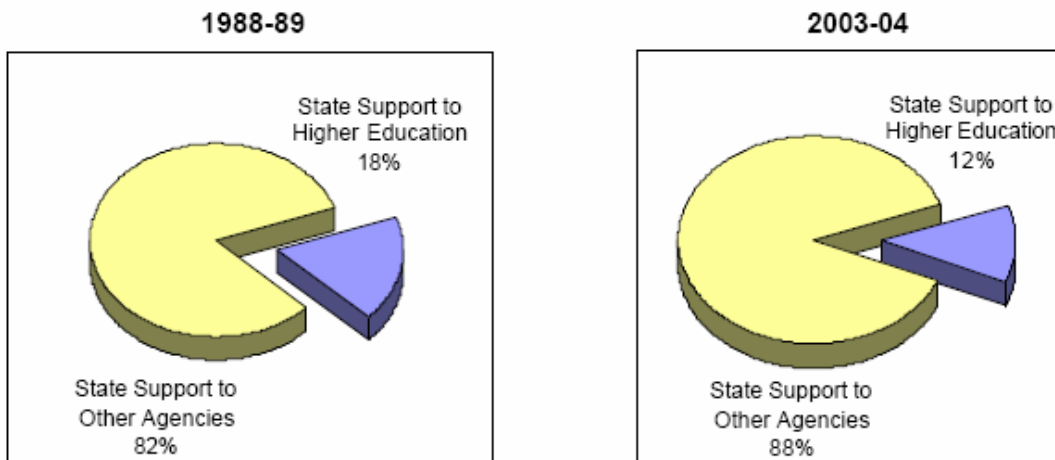
is now the lowest since 1988-89. Virginia's budget shortfall resulted in this percentage declining to percentages below those of the difficult budget years of the mid-1990s.

**General Fund As A Percent Of Total E&G
JMU And All 4-Year Institutions
1988-89 To 2005-06**



Source: SCHEV

Percent of General Fund Support to Public Higher Education in Virginia



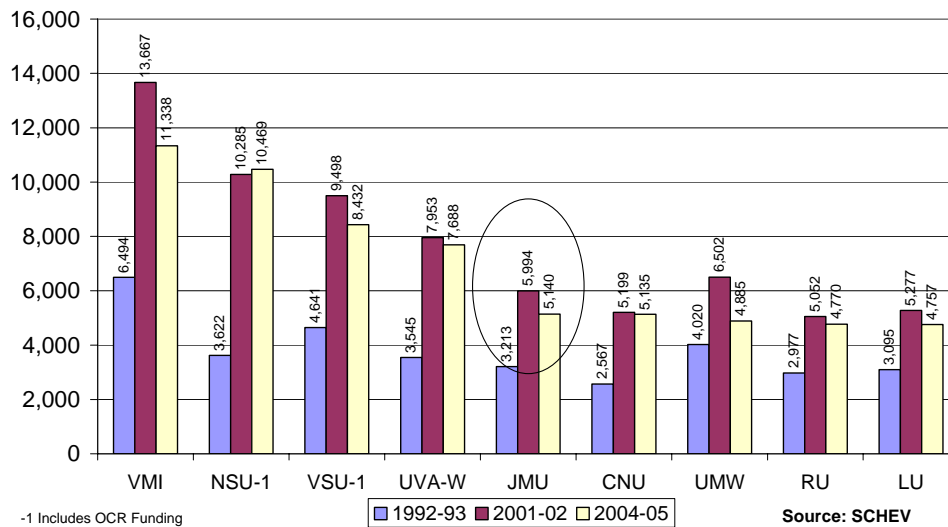
Note: Higher Education includes all public colleges and universities as well as affiliated and related agencies.

FY04 appropriations do not include general fund reductions made in October 2002.

Source: Appropriation Acts of Chapter 688 and Chapter 899.

Higher education's share of Virginia's total general fund appropriation decreased from 18 percent in the 1988-89 to 12 percent in 2003-04. Given the demands on the Commonwealth's budget by medical costs and other mandates as well as the uncertain revenue stream, it is unlikely that higher education's proportion of the State's budget will improve in the foreseeable future.

**General Fund Appropriations
Per In-State FTE Student,
1992-93, 2001-02 And 2004-05**



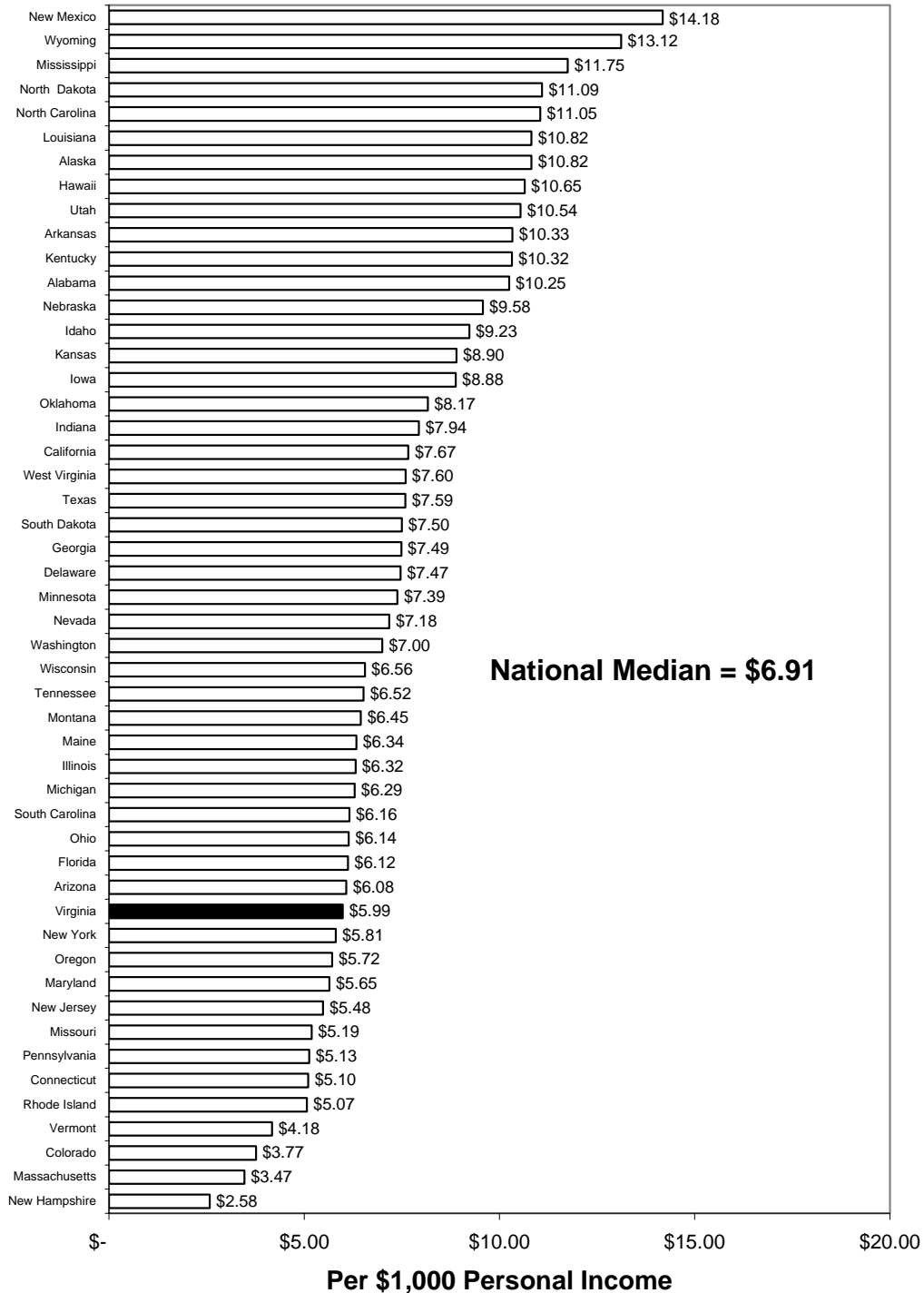
JMU's 2004-05 general fund appropriation per in-state FTE student was \$327 below the average of all Virginia public institutions. Its 2004-05 appropriation was \$854 below 2001-02. Were JMU to be funded at the average for all institutions in 2004-05, its general fund appropriation would increase by \$9.2 million.

As the Commonwealth's two Four-Year 3 institutions, JMU and Radford are in a higher category than all other state comprehensive colleges and universities. In most state higher education systems, higher category institutions receive higher per student appropriations needed to meet their more complex missions.

The next two graphics examine higher education funding in terms of what is generally called "effort." This term refers to funding as measured against a state's economic base — or, its ability to generate tax revenues. The two graphics use personal income as a measure of the size of a state's economic base. This seems to be a reasonable assumption since most states rely heavily on personal income tax in support of general fund revenues.

Source: SCHEV

Appropriations of State Tax Funds for Operating Expenses per \$1,000 of Personal Income FY 2005

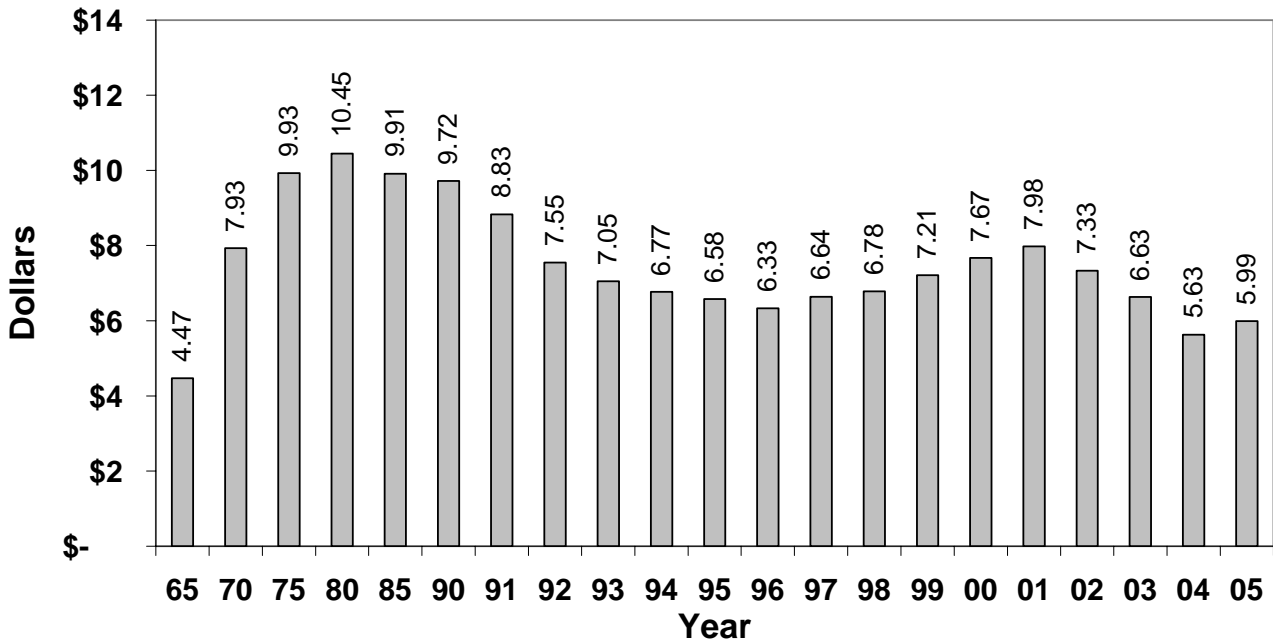


The graph above shows Virginia’s effort as compared to the rest of the United States. Virginia appropriates \$5.99 (up from \$5.63 last year) to the operation of its public higher education system for each \$1,000 of personal income—or \$0.92 below the national mean of \$6.80. This level places the Commonwealth in 38th place (improved from 40th last year) out of the 50 states.

Source: Post Secondary Education OPPORTUNITY, February 2005

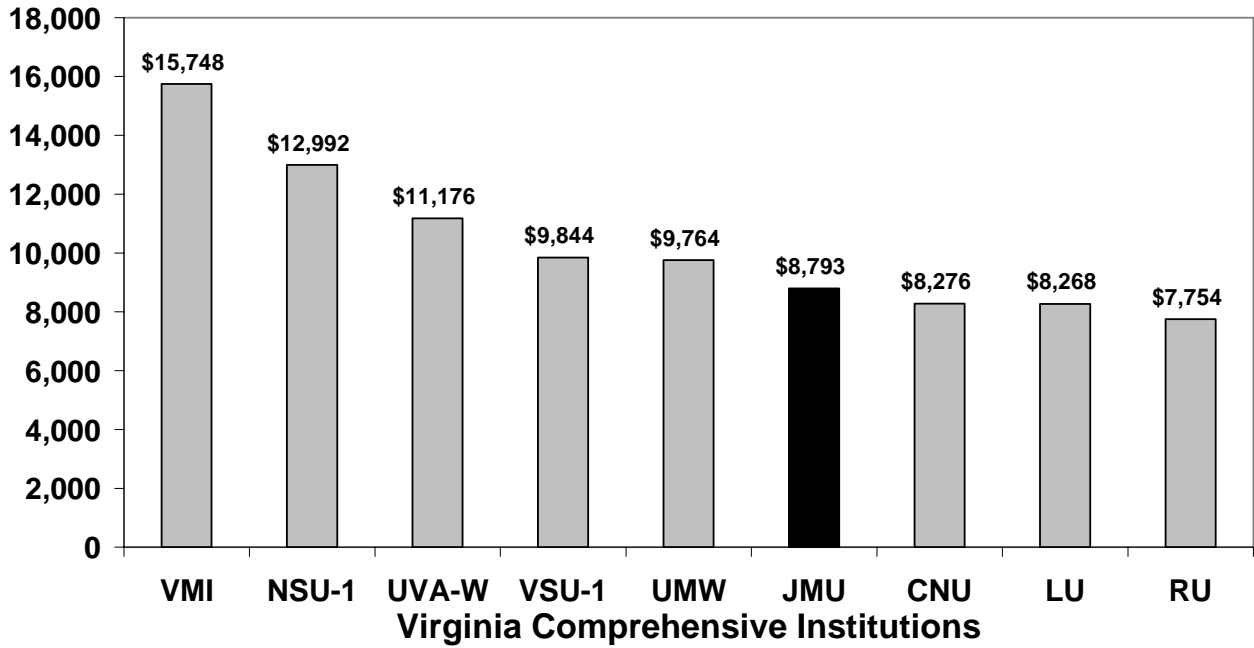
The graph presented below demonstrates the changes in the Commonwealth's higher education effort since 1965. From a high of appropriating \$10.45 per \$1,000 in income in 1980, Virginia dropped to \$5.63 in FY 04, but increased to \$5.99 in FY 05. This represents a 43 percent decline during the period.

Virginia Appropriations of State Tax Funds for Higher Education per \$1,000 of Personal Income



Source: Postsecondary OPPORTUNITY, February 2005

Total E&G Appropriation Per FTE Student 2004-05

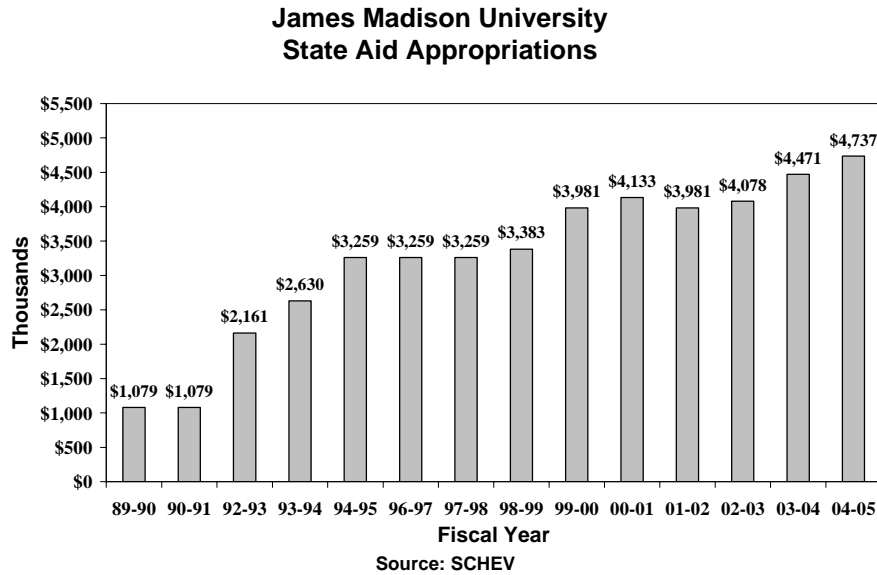


-1 Includes OCR Funding

Source: SCHEV

In 2004-05 JMU's total Education and General (E&G) appropriation was \$8,793. The university was ranked sixth out of the nine comprehensive institutions in the state of Virginia during this time period. The university has been ranked sixth in total E&G appropriations per FTE student for the past several years.

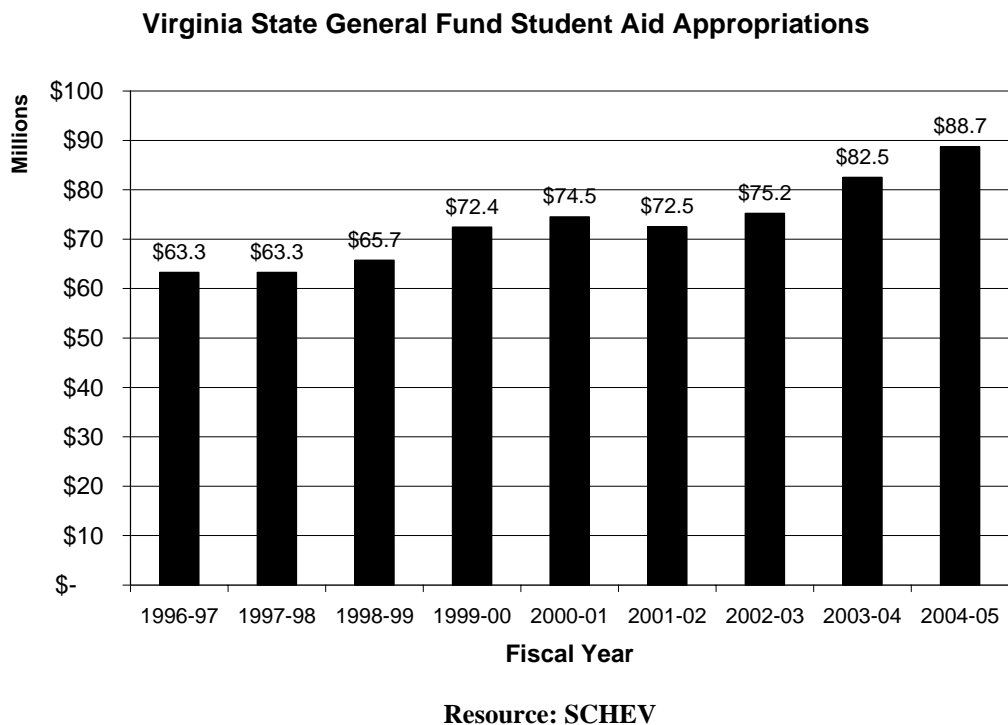
3.4 Financial Aid Appropriations



The Virginia General Assembly became concerned about the impact of the sizable tuition increases that resulted from reduced general fund appropriations for higher education on students' ability to afford a college education. To partially offset the increases in tuition and fees, the Assembly increased

financial aid appropriations for public institutions. Between 1989-90 and 2004-05, the financial aid appropriations for JMU increased by 339 percent.

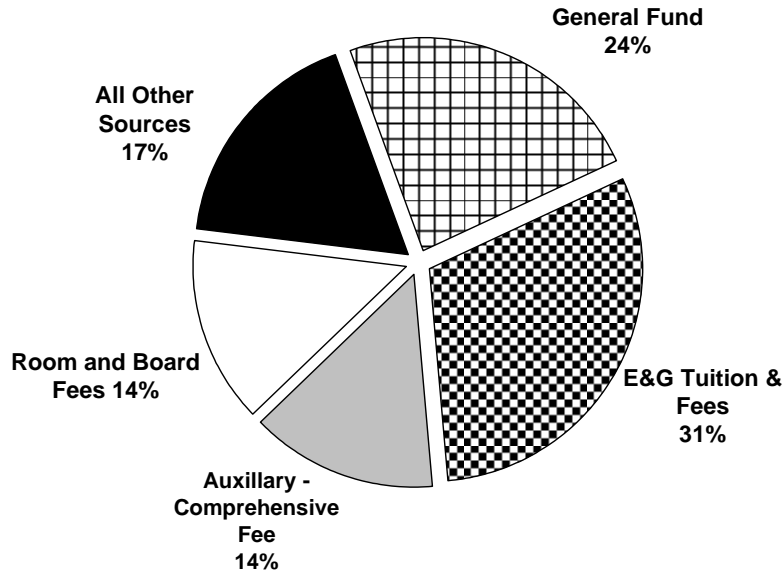
During the 1996 – 2002 biennia, the General Assembly also addressed these concerns by providing funding to freeze, and then lower in-state tuition. The 2001-02 appropriations reverted to 1999-00 due to the budget impasse in 2001. In 2004-05 \$6.2 million in additional funds were allocated to offset the increased tuition for students with financial need.



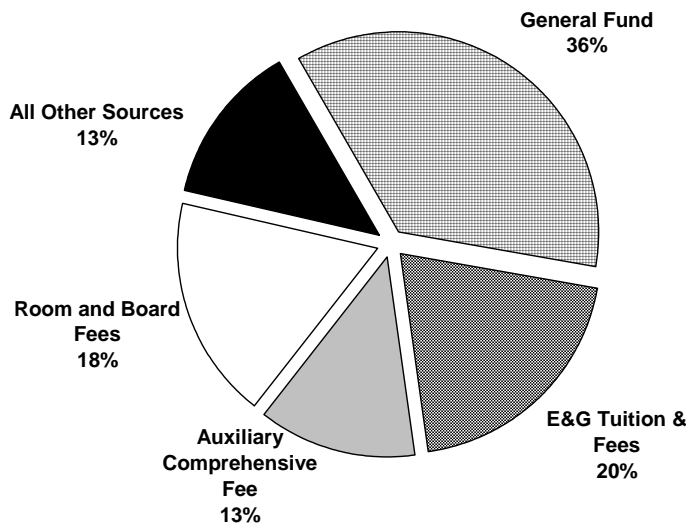
3.5 JMU Total Operating Revenues

General Fund appropriations provided 36 percent of all JMU sources of revenue in 1988-89. During 2004-05, the same source is projected to provide 24 percent of all revenue. Correspondingly, E&G tuition and fees have risen from 20 percent of all revenues to 31 percent over the same period.

Distribution of JMU Total Operating Revenues 2004-05



Distribution of JMU Total Operating Revenues 1988-1989



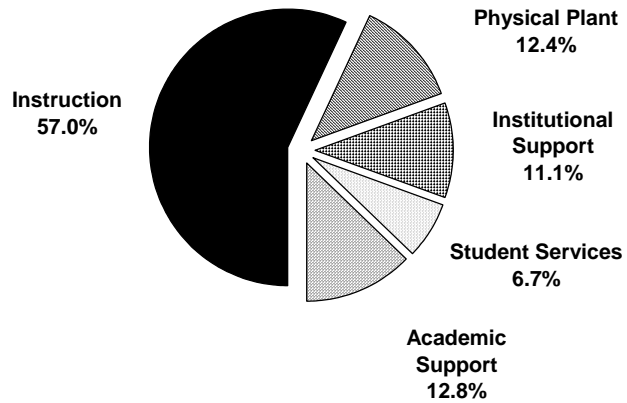
Source: Budget Office

4.0 EXPENDITURES

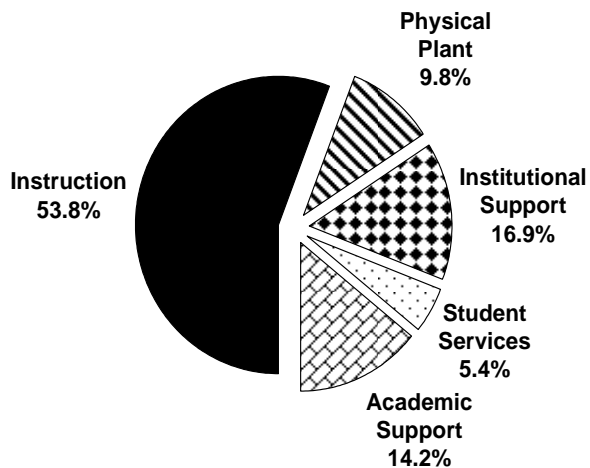
4.1 Total Operating Expenditures

As demonstrated by the charts to the right and below, financial resources remain highly concentrated on the university's core business — instruction. Instructional functions detailed in the charts as instruction and academic support represented 69.8 percent of JMU's 1988-89 budget. In 2004-05 the percentage is 68.0 percent.

Distribution of JMU E&G Operating Expenses 1988-89



Distribution of JMU E&G Operating Expenses, 2004-05

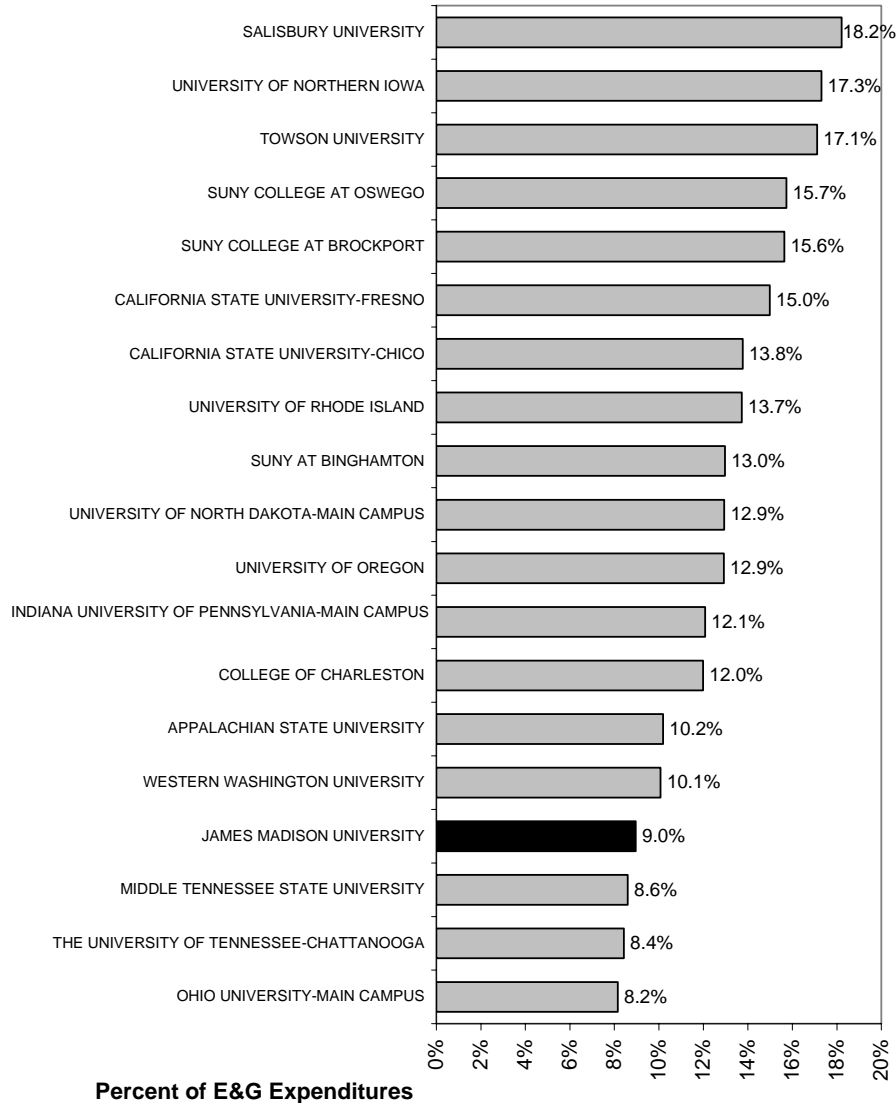


The total percent of the budget spent on non-instructional administrative functions remained relatively unchanged at approximately 30 percent for the sixteen-year period. However, there were shifts away from student services and physical plant to institutional support. The major causes of these shifts are technology-related costs for software, hardware and maintenance and expanded university relations and development activities.

When JMU is compared to the public institutions in its national peer group (approved by the State Council of Higher Education), the 2002-03 data indicates that JMU is the highest institution in support of instruction (see chart on page 30). As indicated in the chart below,

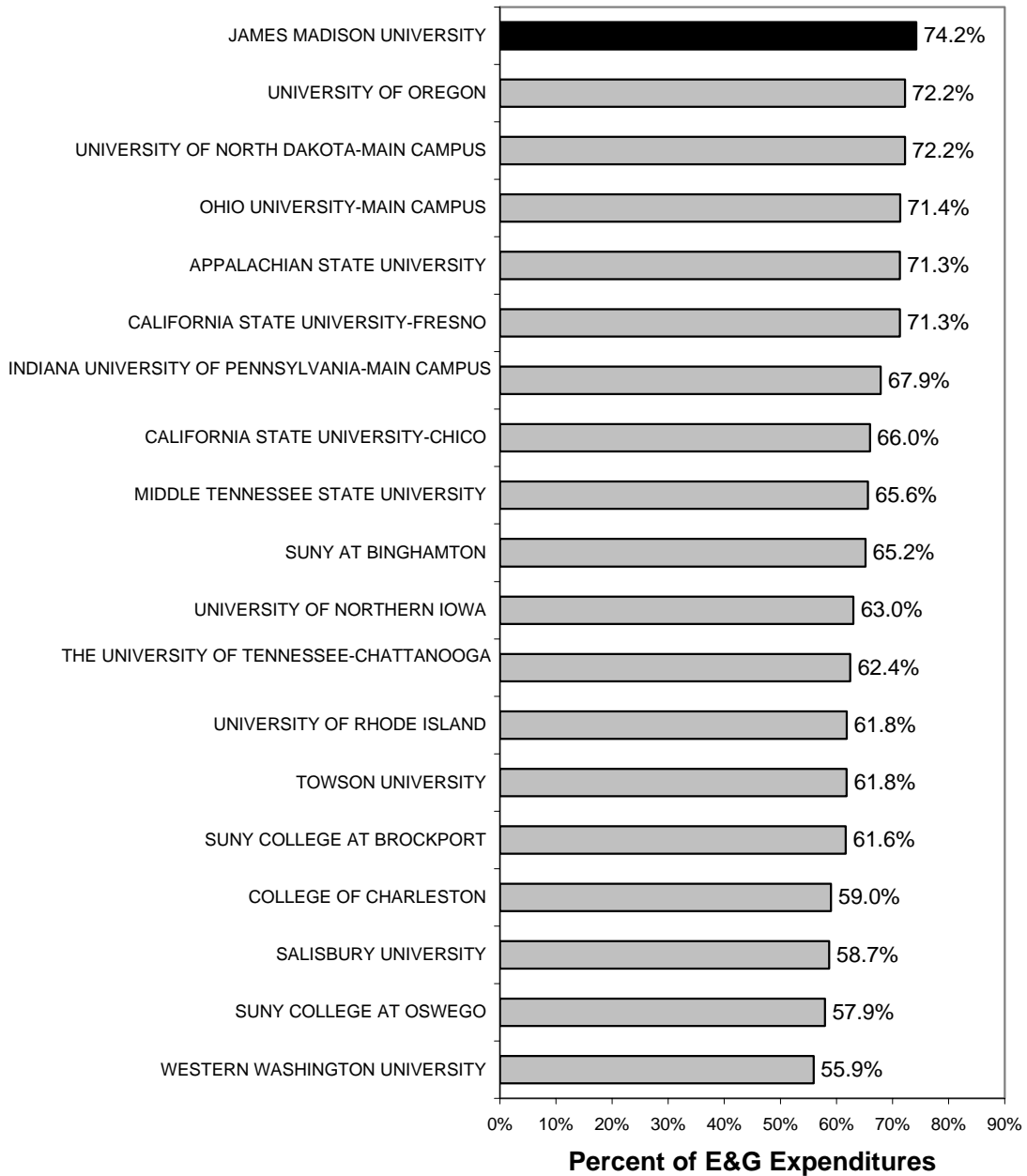
JMU spends a smaller percent on institutional support than all but three of its peer institutions. JMU's most recent rate (9.0 percent) is lower than the rates of recent years (i.e., 9.9 percent in FY 02). JMU continues to operate administrative functions efficiently in order to concentrate resources on the university's primary mission of instruction. In fact, during the budget impasse the University purposely preserved its instructional budgets at the expense of institutional support.

Institutional Support * as a Percent of FY03 E&G Expenditures: SCHEV Peers



* Excluding Research, Public Service, Scholarships and Fellowships, and Transfers. Data not available for University Of Delaware, Bradley University, University Of Notre Dame, Providence College, Baylor University, and Texas Christian University.

**Instructional and Academic Support* Expenditures as a
Percent of FY03 E&G Expenditures: SCHEV Peers**

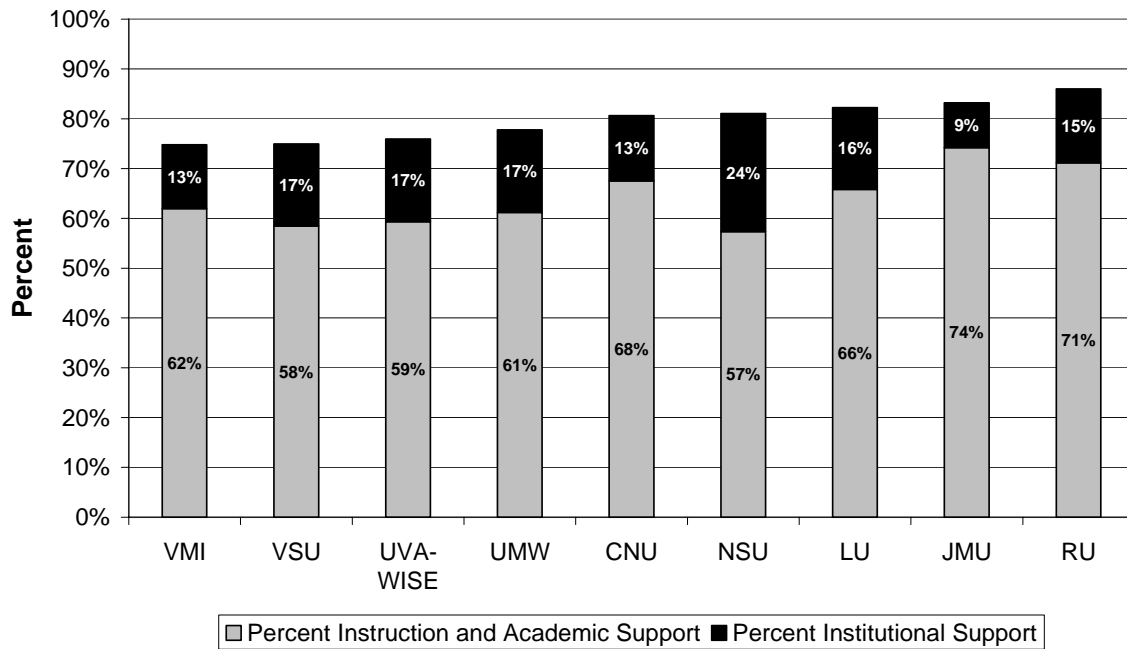


* Excluding Research, Public Service, Scholarships and Fellowships, and Transfers.
Data not available for University Of Delaware, Bradley University,
University Of Notre Dame, Providence College, Baylor University, and Texas
Christian University.

The graphic on the previous page shows JMU's commitment to instruction. JMU spends the highest percentage of its E&G budget on instruction in its peer group. The fact that JMU has such a high percentage of its budget devoted to instruction and one of the lowest percentages devoted to institutional support demonstrates that JMU clearly focuses its resources on its mission of educating students. During the budget impasse JMU's percentage of expenditures increased in instruction and decreased in institutional support.

The chart presented below compares academic and institutional support for Virginia's comprehensive institutions. Of the Virginia comprehensive institutions in 2002-03, JMU ranks highest in percent of E&G budget spent on instruction and academic support (combined) and last in percent of E&G budget spent on institutional support.

FY03 E&G Expenditures*
Virginia Public Comprehensives

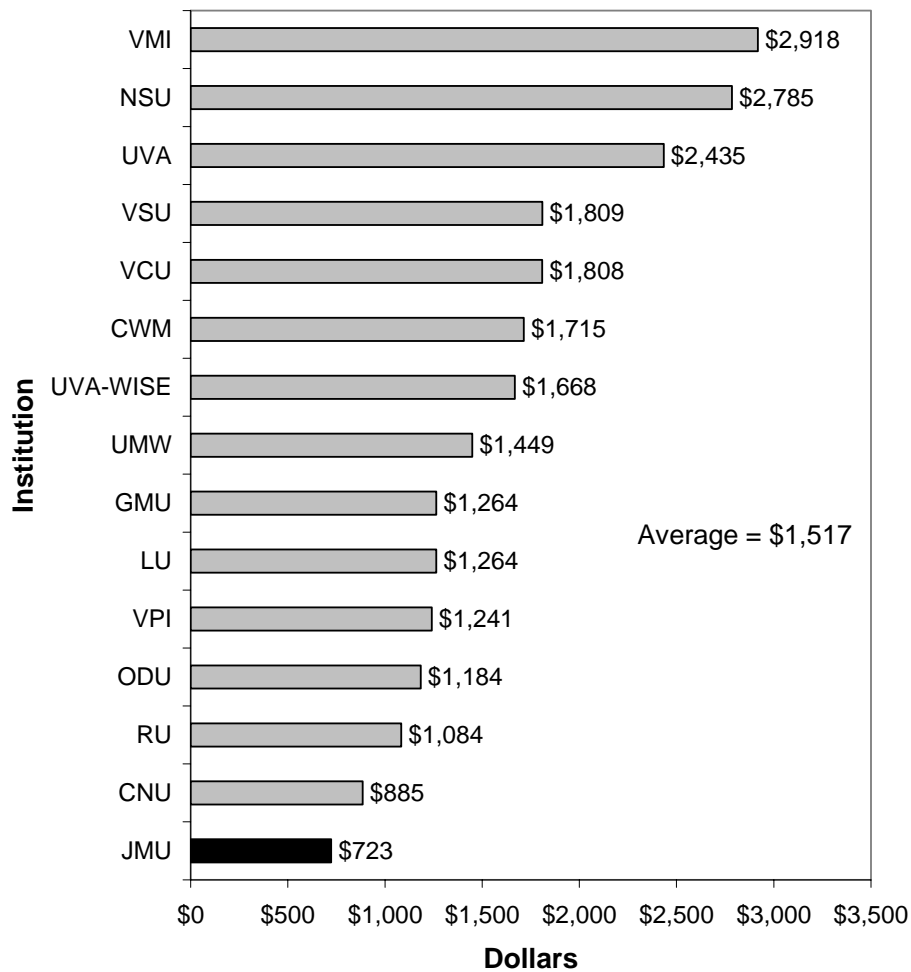


* Excluding Research, Public Service, Scholarships and Fellowships, and Transfers

The chart presented below analyzes institutional expenditures in a slightly different manner. Instead of examining institutional support as a percent of the E&G operating budget, this graphic looks at the same expenditure category on a per FTE student (FTES) basis. It could be argued that this represents a truer picture of expenditures than the percentage when comparing institutions with different educational missions — e.g., comprehensive and doctoral institutions. For doctoral-level institutions, the percent of E&G expenditures used for institutional support is lessened by their expansive research budgets that are included in their total E&G expenditures.

Of the Virginia institutions, JMU again ranks last at \$723 per FTES expended on institutional support in FY 2003. This figure is \$162 per student less than the next lowest institution (Christopher Newport University) and \$2,195 less than the highest (VMI). On a per student basis, JMU has for many years been administratively the leanest institution in the Commonwealth.

E&G Expenditures FY 2003 Institutional Support Per FTES



Source: IPEDS Finance Reports And SCHEV

4.2 Faculty and Staff Salaries

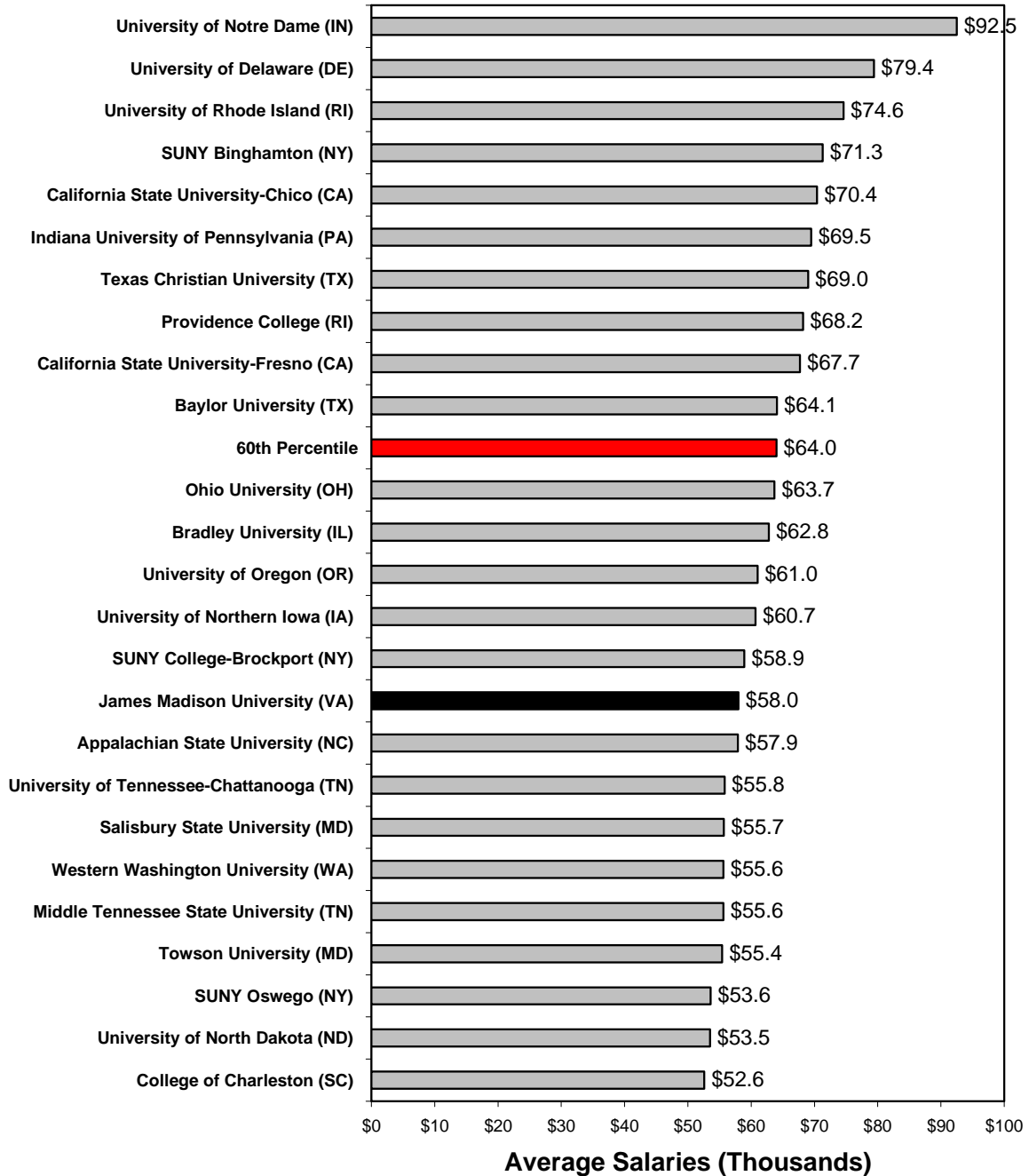
In the spring of 1997 JMU and the other Virginia publicly funded colleges and universities negotiated new peer institutions. These replaced the peer groups created with the State Council in 1986 as a benchmark in support of the public policy objective that all state colleges and universities offer competitive faculty salaries equal to the 60th percentile of a national group of its peer institutions. JMU's current position is 16th out of 25 institutions, down from 12th in 2000-01. The 60th percentile faculty salary for 2003-04 was \$64,000, thereby putting JMU's appropriated salary average of \$6,000 below the policy objective. In order to increase equity between JMU and its peer institution the university initiated a July 2004-05 faculty raise.

As demonstrated by the data shown on page 36, the 1996-97 through 1999-2000 salary increases for faculty, administrators, and classified staff exceeded the CPI. In 2000-01 the CPI exceeded the average salary increases. In 2001-02 no faculty or staff received salary increases due to the budget impasse and the monthly cost of the family medical plan increased to \$218. In 2002-03 the family medical plan increased to \$240. In 2003-04 the Commonwealth instituted a new medical plan, COVA Care, which reduced the monthly premium to \$99. In 2004-05 the University funded salary increases for all faculty and staff in July (2.0 percent for all instructional faculty plus 1.0 percent for full professors; 1.0 percent for all administrators and a 1 percent bonus for classified staff). In December all eligible faculty, administrators, and classified staff received a 3.0 percent increase. The family medical premium increased to \$113. The 2004-05 salary increases are expected to exceed the CPI.

Classified salary increases outpaced those for both instructional faculty and administrators during 1993-94 and 1994-95 because the General Assembly funded a statewide merit program. During 1995-96, classified staff received the same percentage pay raise as instructional faculty and administrators. In 1996-97 their raises were greater than faculty and administrators, but were less than faculty in 1997-98. In 1998-99 the increases for classified staff were higher than administrators, but smaller than faculty. In 1999-00 and 2000-01 the increases for classified staff were higher than the other two groups. In 2001-02 no classified staff received raises. Classified staff received a 2.5 percent bonus in August 2002. A 3.0 percent raise for all classified staff occurred in December 2004 in addition to the 1.0 percent July bonus.

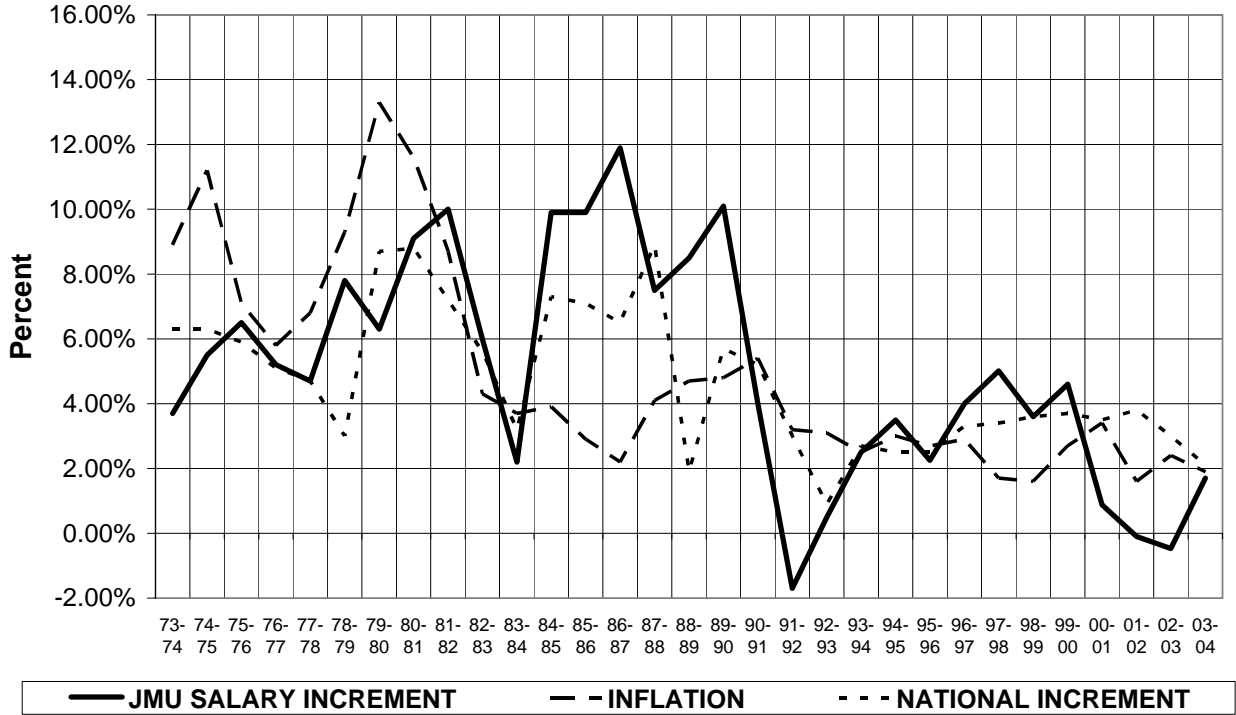
Between 1989-90 and 1999-00 the appropriated salary raises for faculty and classified staff slightly exceeded the CPI due to the higher raises and lower CPI in the last three years. Between 1989-90 and 1994-95, the monthly cost for family medical insurance increased by 67 percent from \$102 to \$170. The monthly cost of family medical plan insurance decreased to \$157 in 1995-96, but again increased to \$240 by 2001-02, a 66.7 percent increase since 1995-96. A new medical plan instituted by the Commonwealth decreased the monthly premium to \$113 for 2004-05.

SCHEV Peer Group Average Faculty Salaries, 2003-04



60th Percentile Faculty Salary = \$64.0 (Thousands)

Inflation and JMU Faculty Salaries 1973-74 To 2003-04



Source: Institutional Research and AAUP

**Appropriated Salary Increases and Cost of Family Medical Coverage
1989-90 to 2004-05**

Year	CPI Increase (December To December) *	Appropriated Salary Increase			Monthly Cost of Family Medical Plan
		Instructional Faculty	Administrative Faculty	Classified Staff	
1989-90	4.6%	7.65%	5.90%	3.25%	\$102
1990-91	6.1%	2.36%	1.90%	3.00%	\$147
1991-92	3.1%	0.00%	0.00%	0.00%	\$159
1992-93	2.9%	2.00%	2.00%	2.00%	\$155
1993-94	2.7%	3.60%	3.60%	6.50%	\$170
1994-95	2.7%	3.40%	3.40%	3.57%	\$170
1995-96	2.5%	2.25%	2.25%	2.25%	\$157
1996-97	3.3%	4.00%	4.00%	4.35%	\$157
1997-98	1.7%	5.00%	4.00%	4.00%	\$157
1998-99	1.6%	6.10%	3.10%	3.67%	\$170
1999-00	2.7%	6.10%	4.00%	6.25%	\$185
2000-01	3.4%	3.00%	3.00%	3.25%	\$207
2001-02	1.6%	0.00%	0.00%	0.00%	\$218
2002-03	2.4%	¹ 2.50%	2.50%	2.50%	\$240
2003-04	1.9%	2.25%	2.25%	2.25%	\$99
2004-05 July ²		2.00% Instructional Faculty 1.00% Additional for Full Professors	1.00%	1.00% Bonus	
2004-05 December	3.3%	3.00%	3.00%	3.00%	\$113

Source: JMU Budget Office and Human Resources

Note: 1990-91 percentage allows for the 2 percent salary reduction in December, 1990. Since 1992-93, salary increase percentages are effective in December of each fiscal year. Effective date of change in health care cost varies from year to year.

¹ In August 2002 all continuing faculty, staff, and administrators received a 2.50 percent bonus that was not added to the base salary.

² In July 2004 JMU funded raises for all employees. The Commonwealth also funded raises for all eligible employees beginning in December 2004.

* [Inflation Statistics](#) from Bureau of Labor Statistics.

[Health insurance figures](#) from Virginia Department of Human Resources Management. Medical plan is COVA Care, one spouse State employee.